

Drive Carefully
better to *be* late
than *the* late



THE JERUSALEM POST

Vol. LII, No. 15783 Thursday, December 13, 1984 • Kislev 19, 5745 • Rabia Awwal 20, 1405 IS280



THE JERUSALEM POST
INTERNATIONAL EDITION

The perfect gift for
your friends and relations
overseas

Peres meets Aridor for discussions on dollarization plans

By AVI TEMKIN
Post Economic Reporter

Prime Minister Shimon Peres met last month with former finance minister Yoram Aridor to discuss his ideas on the semi-dollarization of the economy. The Jerusalem Post learned yesterday.

Reliable sources say Peres initiated the meeting. He was reportedly interested in learning the extent of aid offered to Aridor last year by the U.S. to facilitate economic reform.

Most Labour ministers were taken by surprise at Peres' action, which they viewed disapprovingly. One senior party figure claimed that none of his colleagues involved in economic matters had prior knowledge of Peres' intentions.

A spokesman for the premier confirmed the meeting but refused to disclose details. He noted that linking the economy to the dollar was "not especially dealt with" during the talks. This was at variance with reports from sources close to both men who later claimed the

meeting had dealt specifically and extensively with such schemes.

Peres concluded the meeting by saying he wanted to meet again with Aridor.

Conjecture as to the degree to which the U.S. had been willing to further economic reforms along lines proposed by Aridor was fuelled by a home visit by Dan Halperin, Israel's economic minister in Washington, who is said to have consulted with the Americans on the Aridor plan in 1983. Some sources noted that Halperin had approached them on Aridor's behalf with requests for emergency funds intended to facilitate the programme.

The Bank of Israel plan now being drawn up does not envisage the use of the U.S. dollar as legal tender but, rather, the adoption of dollar values to set wages and prices. Thus, while the economy would be linked to the dollar, foreign currency regulations would stay in force.

The Post learned that two Histadrut members had been involved in the plan.

(Continued on Page 7)

Peres: I'll go all out to stop Shas bolting

By MICHAEL YUDELMAN
Jerusalem Post Reporter

Prime Minister Shimon Peres said yesterday he was prepared to sit "day and night" and meet with any Shas party forum until a way was found to preserve the integrity of the coalition.

At a meeting with Shas MK Rafael Zinkas and party secretary Arye Deri, Peres said that if necessary, he would even meet with the ultra-Orthodox Sephardi party's guiding Council of Torah Sages to prevent its withdrawing from the coalition.

"I was decided Shas would discuss Peres's request with the Council," Shas announced its decision to leave the coalition on Tuesday night, when no agreement was reached on the division of the Interior and Religious Affairs Ministries between Shas and the National Religious Party.

Yesterday morning, Likud ministers accused the Alignment of breaking up the negotiations by leaving Shas with an attenuated Interior Ministry with all religious issues transferred to the Religious Ministry, which is to be given the NRP.

The Alignment charged the Likud with not keeping a promise to appoint a Shas deputy minister in the Housing Ministry.

In post-election horse-trading,

Shas was regarded as a client of the Likud, and the NRP as an Alignment client.

Housing Minister and Deputy Premier David Levy told Peres that the Likud views Shas's withdrawal very gravely.

"Give them a deputy minister in your office and solve the whole business," Energy Minister Moshe Shahal (Labour), who attended the meeting between Peres and Levy, said.

"I have not yet decided to appoint a deputy minister, but I did not say I wouldn't do it in the future," answered Levy.

Peres said he did not want to intervene in the matter of the deputy housing minister, because that was to be decided between Shas and the Likud. However, he would do so if asked, he said.

Mapam MK Yair Tzaban yesterday cabled Prime Minister Shimon Peres asking him to refrain from meeting Rabbi Ovadia Yosef, a judge in the Chief Rabbinate court, in negotiations over the future of Shas in the coalition.

Tzaban said that such a meeting would be a crude trampling on all public and legal norms, since Attorney-General Yitzhak Zamir had ruled that no judge or dayan (religious court judge) can be involved in party politics.

Nigeria prepared to renew ties with Israel, but...

LONDON (JTA). - Nigeria is prepared to restore diplomatic relations with Israel following Israeli withdrawal from all "occupied Arab territories" and its breaking of links with South Africa, the World Jewish Congress reported yesterday.

The Nigerian head of state, Major-General Muhammadu Buhari, set these conditions during formal remarks delivered last week in Lagos. His remarks, broadcast by Lagos Home Service, were monitored here by WJC sources.

Kollek wins Premier's support for tourist tax, stadium

By MICHAEL EILAN
Jerusalem Post Reporter

Jerusalem Mayor Teddy Kolek won a series of promises on government policy towards Jerusalem which includes a commitment to allow the city to levy a tax on foreign tourists staying at luxury hotels.

Prime Minister Peres's promises were included in a letter sent to Kolek last week. The letter is a result of lobbying by the mayor started at the beginning of the election campaign

last spring.

Peres promised Kolek that the mayor will be appointed a regular member of a newly constituted Ministerial Committee on Jerusalem. During the tenure of the last government Kolek was not a full member of the committee.

Peres also promised that Kolek would be a member of a special subcommittee coordinating the Jerusalem Committee and the Ministerial Settlement Committee. This will give the municipality some influence on the construction and expansion of "satellite towns" around the capital - settlements which Kolek has long argued weaken Jerusalem instead of enhancing it.

Most of Peres's promises were elicited by Kolek in a series of letters sent to both Peres and Likud leader Yitzhak Shamir before and after the elections. Among these promises are the creation of a Jerusalem development authority to coordinate efforts to bring more industry to the capital.



Members of Hadassah Kedmi's army unit bear her coffin to her final resting place at yesterday's funeral in Kibbutz Kfar Masaryk. (IPPA)

Criminal motive seen behind Kedmi murder

By ROBERT ROSENBERG
Jerusalem Post Reporter

Reported pathological findings from the Abu Kabir forensic laboratory last night indicated that murdered woman soldier Hadassah Kedmi was not raped.

Kedmi, whose body was found near Kibbutz Beit Oren on Tuesday, was buried yesterday. (See page 3.)

Kedmi's body showed severe bruising apparently caused by a blunt instrument.

Investigators are apparently still concentrating on purely criminal motives for the kidnapping and strangulation murder.

Israel Television last night reported that Kedmi's body had not been mutilated. But *The Jerusalem Post* has been told that the woman was tortured.

A senior police source said yesterday that investigators from national headquarters would soon take over the inquiry.

Unlike murders which were found to have political motivations, no PLO flag or notes were found on the scene. Nor was Kedmi's kidnapping followed by a ransom note making political demands. But there were

unconfirmed reports that among the evidence found on the scene were papers printed in Arabic.

Police sources stressed that in such so-called political cases as the murder, sexual assault and mutilation of Danny Katz, the defendants in the subsequent trial have made a connection between the crime and political issues. "But the real motivation in a case like the Danny Katz murder is not terrorism, in the ordinary sense, planned by a cell in cold blood," said a high-ranking investigative source.

Rather, said the source, "the political rhetoric was added to what was essentially a criminal sexual assault."

Kedmi had been dead for at least a week when her body was found, police sources said yesterday. On Tuesday night, police said she had been dead for at least 72 hours before the body's discovery.

Police are hopeful that laboratory tests will pinpoint the time of death.

The special Haifa police investigating team which is handling the case was reinforced yesterday. The team again inspected the thickly overgrown, rocky site on Mt. Carmel where the body was found.

Egypt plays down talk on improved relations

By DAVID BERNSTEIN
Post Middle East Affairs Reporter and agencies

Egypt yesterday threw cold water on speculation that its relations with Israel were about to improve and that a summit meeting between Egyptian President Hosni Mubarak and Prime Minister Shimon Peres was in the offing.

"I have issued my conditions as preparations for the summit," Mubarak was quoted as telling newsmen in Cairo yesterday, "and when we reach a conclusion it will be well known."

These conditions were the three standard Egyptian prerequisites for a thaw in the "cold peace" between the two countries: a solution to the Taba border dispute; an Israeli withdrawal from Lebanon; and movement on the Palestinian issue.

Egyptian Prime Minister Kamal Hassan Ali also told newsmen that Egypt was sticking by these three conditions, adding that so far there had been no improvement in his country's relations with Israel.

(Continued on Page 7)

known."

These conditions were the three standard Egyptian prerequisites for a thaw in the "cold peace" between the two countries: a solution to the Taba border dispute; an Israeli withdrawal from Lebanon; and movement on the Palestinian issue.

Egyptian Prime Minister Kamal Hassan Ali also told newsmen that Egypt was sticking by these three conditions, adding that so far there had been no improvement in his country's relations with Israel.

(Continued on Page 7)

U.S. confirms naval exercise with Israel

WASHINGTON (AP). - The U.S. Defence Department confirmed on Tuesday that U.S. and Israeli naval vessels are conducting an anti-submarine exercise in the Mediterranean Sea.

Michael Burch, the Pentagon's chief spokesman, said the aircraft carrier *Eisenhower* and other ships in its battle group had joined Israeli vessels on Tuesday to begin the exercise.

Defence Department officials earlier confirmed the *Eisenhower* was leaving port in Haifa, but said they knew of no plans for an exercise beyond a routine rendezvous with Israeli ships as the carrier left port.

"There is an exercise underway," Burch said on Tuesday when asked about the *Eisenhower*'s deployment.

"Units of the USS *Eisenhower* battle group and the Israeli Navy are conducting an anti-submarine exercise to practice and refine submarine warfare techniques. That exercise started today and will last a few days," he said.

The spokesman said the exercise was "long-planned," but added he didn't know when it would end or how many ships were involved.

A U.S. Navy official who asked not to be named later said the exercise involved only two U.S. ships - the *Eisenhower* and the guided-missile cruiser *Mississippi*. Both are nuclear-powered.

The official added the exercise was scheduled to last a week, and that Israeli observers were aboard the *Eisenhower*. The official said he did not know how many Israeli ships were participating in the exercise, but confirmed it was the first anti-submarine exercise by the two countries.

No casualties in S. Lebanon attacks

Jerusalem Post Staff

METULLA. - There were no casualties yesterday in three attempted attacks on IDF and SLA troops in South Lebanon.

A rocket propelled grenade (RPG) was fired at an IDF convoy near Tyre, a roadside bomb exploded as a second IDF convoy was passing the old cemetery in Jibshit, and an SLA vehicle came under light arms fire 7 kilometres north-east of Tyre.

Eyewitnesses told Reuters that the IDF on Tuesday pulled out of a fortified emplacement it established on the road coastal 10 kms. north of the front lines on Sunday, near the Christian village of Jijveh.

Strike to be stepped up Tel Aviv has until 10 a.m. to find money

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. - Municipal employees have given the city until 10 o'clock this morning to pay their November salaries, or face intensification of the strike, including stopping hospital and emergency services. This was decided last night by the municipal workers' committee on the eve of the strike's ninth day. A final decision will be taken at 10 a.m.

Staff committee chairman Teddy Kauffman phoned Prime Minister Shimon Peres yesterday, appealing for his direct intervention. Peres assured him that the matter had his attention; but reports said he was reluctant to intervene, as Finance Minister Yitzhak Moda'i and Interior Ministry Director Haim Kibersky were handling the affair.

Garbage continued to pile up yesterday in the streets and markets, also encroaching on the city's cafes. In a number of locations, rats were seen feeding off the garbage and some school principals complained that their pupils were suffering from high temperatures and diarrhea. They said they were not sure if this was connected with the unhygienic situation in the town, since the nurses, who could check were also on strike.

A joint committee of Interior and Finance Ministry officials was working on a plan to give the municipality a monthly bank loan of IS2 billion, which would guarantee the wages of municipal workers. The accountant-general was to transfer IS\$46 million today to pay the municipality's pensioners, who have not received their November pensions.

Ministry officials said that before the monthly bank loan is processed, Mayor Shlomo Lahat would have to present them with an economic recovery plan, including sharp municipal budget cuts, to show that the bank loan can be repaid.

This position was reiterated by Moda'i, who noted that money transferred in the past to pay municipal employees had been used for other purposes. A new method of bailing out Tel Aviv would have to be found, he said.

Meanwhile it was learned that the municipality had received IS\$600 million from rates on Tuesday, but the money was used to pay contractors. Spokesman Ronni Rimmon explained that paying only some employees would not have stopped the strike.

In the Knesset, Energy Minister Moshe Shahal, replying for the government on several agenda motions concerning the strike, said: "All municipalities and local authorities must learn a lesson from what is happening in Tel Aviv."

"The lesson is that, at a time of national emergency, there is a need

(Continued on Page 2, Col. 4)

Lebanese cabinet reiterates 'three noes' for Nakoura talks

BEIRUT (AP). - The cabinet yesterday reaffirmed Lebanon's position at the Nakoura talks, due to continue today, stressing that there could be no role for the Israeli-backed South Lebanese Army and that Unifil troops must be deployed along the international boundary.

"These are irrevocable principles," Prime Minister Rashid Karamneh told reporters after the cabinet meeting. "No to [SLA Commander Amine] Lahad's forces; no to Israeli participation in Unifil deployment south of the [river] Litani, and there is no reason for Unifil deployment north of the Litani."

Karamneh's statement, which showed no change in the Lebanese position at the five-week-old troop-

withdrawal negotiations, came despite efforts by U.S. Assistant Secretary of State Richard Murphy to break the deadlock in the talks. Murphy held talks with Lebanese and Syrian officials earlier this week. U.S. Assistant Secretary of State Richard Murphy returned to Israel yesterday from Damascus, as part of his efforts to help negotiate an Israel Defence Forces withdrawal from Lebanon.

Murphy had flown to Beirut and then Damascus, after meeting with Prime Minister Peres and Defence Minister Yitzhak Rabin on Sunday. Last night it was not clear when Murphy would meet again with Peres or Rabin, or how long he would stay in Israel.

MK charges ministers with plot to bury bank-share report

By AVI TEMKIN
Post Economic Reporter

Senior government members are trying to neutralize the State Comptroller's report on the 1983 bank-share collapse. MK Haim Ramon (Labour), declared yesterday.

Economics Committee, Eliahu Speiser (Labour), charged that the commercial banks, the Bank of Israel and the Treasury were pressuring Tunik to change some of the report's conclusions.

In a letter to Tunik, Ramon stated that the delay in the report's publication made this pressure possible.


MK Dan Tichon (Liberals) urged the Knesset State Control Committee to discuss Speiser's accusations.

Tichon declared that the House committee was the parliamentary body entrusted with handling the report, and therefore it could not ignore such accusations from the Knesset Economics Committee chairman.

TOP URGENCY!
Mrs. Cristina Fernandez Cubas
Mr. Carlos Trias Sagnier
from Spain

Please contact as a matter of urgency your brothers in Spain, and Mrs. Greiver/Elizabeth, Patra Travel Agency Ltd., Tel Aviv, Tel. 03-623411.

15,000 Children Need You!
only 6 days to Hanukkah - Give NOW to



Discount Coupons worth IS 2,495 at Super-Sol
Details on P. 5.

Israeli ambassador in Bonn says: 'German Greens are anti-Semitic'

BONN (Reuters). - Israel's ambassador to West Germany yesterday charged that the Middle East policy of the radical Greens Party amounted to rank anti-Semitism of the "Jews out" variety.

"We live in the illusion that racism

and anti-Semitism in this country are of no significance. The so-called strategy paper of the Greens teaches us otherwise," ambassador Yitzhak Ben-Ari said in a statement.

He was reacting to an internal Greens document setting out strategy for a Middle Eastern tour beginning next Sunday.

A spokesman at the Israeli Embassy, which obtained a copy of the document, quoted it as saying that talks with the Israeli government were "not worth pursuing."

In the ambassador's view, the Greens displayed "a sense of exonerated from their own fascist history. What is important to the author is the well-known cry, 'Jews out.'"

A Greens statement said the document was just one of several discussion papers. "Reports that the Greens do not consider talks with the Israeli government worth pursuing are incorrect. These recommendations were rejected by the

applied for meetings with Israeli officials before the leaked document was made public.


Their Middle Eastern tour, from December 16 to 29, will include visits to Lebanon, Syria, Jordan and Israel and is intended to contribute to reducing tensions in the region, they said.

Diplomatic sources said there was no indication that Israel would refuse entry to the Greens. But the ambassador's statement said: "They may be right that talks are not worth pursuing. They do not want to listen. They only want to be listened to."

The Bonn newspaper *General Anzeiger* said the trip could damage relations between Israel and West Germany.

It quoted the document as saying: "So long as the Israeli government does not recognize the PLO, we should keep our contacts with official representatives of the State of Israel to a minimum."

shhh... CLASSIFIED INFORMATION



It's no secret... there are only a few hours left to place your classified advertisement for tomorrow's *Halukah Hehadash*. Just take your ad to any advertising agency, or to an office of Ma'ariv or Ha'aretz (or call 03-439380) and it will run in Hebrew in those papers. Hand it in early enough to make sure it reaches the office of *Halukah Hehadash* before 4 p.m. and your ad will also appear in English in *The Jerusalem Post*. Beat

The weather at major Swissair destinations

12.12.84

	MIN.	C	F	MAX.
AMSTERDAM	4	9	48	Cloudy
BRUSSELS	4	9	48	Cloudy
BUEENOS AIRES	20	68	81	Clear
CHICAGO	1	34	41	Cloudy
COPENHAGEN	1	34	41	Cloudy
FRANKFURT	3	37	45	Cloudy
GENEVA	6	43	49	Cloudy
HELSINKI	19	64	80	Cloudy
HONG KONG	16	61	78	Clear
JERUSALEM	11	52	62	Clear
LEON	11	52	62	Clear
LONDON	1	34	41	Cloudy
MADRID	1	34	41	Cloudy
MONTREAL	1	34	41	Cloudy
NEW YORK	1	34	41	Cloudy
PARIS	1	34	41	Cloudy
SAO PAULO	18	64	80	Cloudy
STOCKHOLM	1	34	41	Cloudy
TOKYO	1	34	41	Cloudy
TORONTO	1	34	41	Cloudy
ZURICH	1	34	41	Cloudy

*For the latest weather conditions contact Swissair.

Offices in Israel:
Tel Aviv: 41 Ben-Yehuda St. (03) 2433 50
Jerusalem: 30 Jaffa St. (02) 2252 33
Haifa: 2 Sea Road (04) 846 655

swissair

THE WEATHER

Forecast: Thunderstorms, hail and winds in north and center. Sandstorms in the south.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Min
Jerusalem	30	0-13	9
Cotán	45	4-12	9
Nahariya	49	2-11	8
Safed	37	10-17	14
Haifa Port	36	5-16	15
Tiberias	36	5-16	15
Nazareth	36	5-16	15
Alula	33	1-18	14
Shomron	32	2-14	10
Tel Aviv	42	6-16	14
B-G Airport	40	4-17	14
Jericho	45	3-18	16
Gaza	41	7-17	14
BeerSheva	33	3-16	14
Eilat	19	6-21	20

SOCIAL & PERSONAL

Rotary District governor Isi Looenstein paid a visit to Jerusalem Mayor Teddy Kollek and the Jerusalem Rotary Club yesterday.

Mordechai Paz, director of the Afro-Asian Institute, is to address the Rotary Club at the Tel Aviv Hilton at 1.15 p.m. today.

Court will not combine Jewish terror trials

A request by the prosecution in the Jewish terror trial to combine the main terror trial and the trial of six defendants on murder charges was rejected yesterday by the Jerusalem District Court.

The court had decided in June that Menahem Livni, Shaul and Barak Nir, Yeshua Ben Shoshan, Yitzhak Ganiram and Uzi Sharabaf would be tried in connection with the attack on the Islamic College in Hebron after the main trial ends. Yesterday's ruling leaves that decision in force. (Itim)

Ex-IDF officer charged with theft from army

TEL AVIV (Itim). - A man who was an officer in an elite IDF unit was yesterday charged in the district court here with stealing army property, including an assault rifle, ammunition, mattresses, stretchers and parachutes.

The prosecution said the items were found a year ago in the car and home of Eran Unger, 27. Also charged in the case was Unger's friend, Iris Yaron, 23.

Dear Toy Fund
I am 59 years old I decided
to give my Chanukva
GEIT to the children
IN YERUSALEM who need
some Chanukva
Present of Mr X-720
+ 014 X-720
Live in Israel!
LOVE LOVE
I AM A JEW
LOVE

The kindling spirit of Hanukkah for Israel's underprivileged children needs your donations to the Jerusalem Post Toy Fund. There are 15,000 youngsters in government institutions and foster homes. A happy Hanukkah for them depends on your contributions. PLEASE - GIVE GENEROUSLY. And "Let us care for our little ones."

Contributions may be brought to any office of The Jerusalem Post.
JERUSALEM: The Jerusalem Post Building, Room 1000, Industrial Zone, TEL AVIV: 11 Carlebach St., HAIFA: 16 Nordau St., Hadar Hacarmel. Or send directly by mail to The Jerusalem Post, P.O. Box 91000, Jerusalem 91000.

HOME AND WORLD NEWS

Eitan: IDF must dig in if Lebanon talks fail

Jerusalem Post Reporter
If talks with Lebanon and contacts with Syria on security arrangements for the northern border fail to produce an agreement, the Israeli Defence Forces should redeploy to the Zaharani River and dig in there for a stay lasting perhaps years, MK Rafael Eitan (Tehiya) told *The Jerusalem Post* yesterday.

Eitan, chief of the General Staff during Operation Peace for Galilee, said that a move to the Zaharani River would rid the IDF of the troublesome city of Sidon. He revealed that in 1983, while CGS, he had been opposed to pulling the IDF out of the Shouf Mountains overlooking Beirut. But if there was to be a pullout, he had argued, it should be to the Zaharani, not the Awali.

An IDF presence extending to the Zaharani would shield the Galilee from terrorist attacks while simplifying the army's operations. Eitan said yesterday.

He added that he held out little hope for either the Nakoura talks with the Lebanese or the mediating effort with Syria of U.S. Assistant Secretary of State Richard Murphy.

"The Lebanese do what the Syrians tell them, and the Syrians aren't interested in coming to an agreement with us," Eitan said. "As for Murphy, he was U.S. ambassador to Damascus. I don't expect him to be objective."

Eitan concurred with Defence Minister Yitzhak Rabin that Syria has the political advantage in Lebanon. But the Tehiya MK said that this advantage was handed to the Syrians by Israel when the IDF was withdrawn from the Shouf. "Now we have to lie in the bed we made," Eitan said.

The only way Israel could regain (Continued on Page 3)

Beirut car bomb kills three as hill battles rage nearby

BEIRUT (AP). - A powerful car bomb exploded yesterday outside a Druse religious centre in West Beirut, and rescuers said three people were killed and seven wounded.

Red Cross volunteers who rushed to the scene said all the casualties were pedestrians or motorists who were on the street when the blast occurred shortly after dark.

They said they could not tell whether there were other casualties inside the centre, which serves both as a religious gathering place and as a home for more than 50 Druse families who fled recent renewed mountain fighting between Lebanese Army troops and Druse militiamen.

The blast came as artillery battles raged in the hills overlooking Beirut, with repeated calls for ceasefires failing to end three days of warfare.

Prime Minister Rashid Karamé emerged from a four-hour cabinet meeting at the presidential palace in suburban Baabda and pleaded with the militias for a ceasefire.

"We urge that all the combatants stop this shelling," he said, adding that "through negotiations, all reasons for fighting will end."

State-run Beirut Radio also reported heavy fighting yesterday in the Kharrub region, which is just north of the IDF's frontline at the Awali river.

The almost-daily battles in the area have pitted the fighters of Druse leader Walid Jumblatt's Progressive Socialist Party against Christian "Lebanese Forces" militia.

UN calls for international ME conference

UNITED NATIONS (Reuters). - The UN General Assembly last night repeated a call for an international Middle East Peace Conference, despite objections by Israel, the U.S. and Canada.

Several other Western nations have questioned the value of the conference, which would seat the PLO at the table.

A total of 121 countries approved a resolution urging all governments to convene the conference without delay. UN Secretary-General Javier Perez de Cuellar was told to continue trying to arrange the meeting and report back by March 15.

The resolution was one of four adopted by the General Assembly,

following a lengthy debate on the Palestine question. The others were mainly technical in nature.

Israeli Ambassador Binyamin Netanyahu declared: "The government of Israel utterly rejects such an idea."

He said only direct negotiations had a chance of success, as shown by the Camp David talks, which led to a peace treaty between Egypt and Israel.

"The call by the Soviet Union, among others, for an international conference is simply a ploy to provide a forum, perhaps I should say a coliseum, in which Israel can be thrown to the lions and the PLO legitimized," Netanyahu said.

Israeli, Soviet ambassadors to U.S. meet

Jerusalem Post Staff
The ambassadors of Israel and the Soviet Union met in Washington last week, a Foreign Ministry official in Jerusalem confirmed yesterday. He said Meir Rosenne met Soviet Ambassador Anatoly Dobrynin in a neutral embassy, but he refused to give further information.

The *Haaretz* daily reported yesterday from Washington that no new ground was broken on resuming relations, which Moscow severed during the Six-Day War.

It said Dobrynin voiced interest in a wider Soviet role in Mideast peace moves, but Rosenne replied that Israel could not agree unless the Soviets had ties with both sides of the Arab-Israeli conflict.

Despite the lack of relations,

Israeli and Soviet representatives meet on an occasional and irregular basis.

Foreign Ministers Andrei Gromyko and Yitzhak Shamir met at this year's UN General Assembly session, and Rosenne and Dobrynin have reportedly held previously unannounced talks.

GERMAN GREENS

(Continued from Page One)

The Greens have dismissed charges of fascism levelled at them by the ruling conservatives, but were stunned at their national congress last weekend when a founding member, Rudolf Bahro, compared the rise of the Greens to that of the Nazis.

Delegates angrily rejected the comment in a resolution. The *General Anzeiger* said the visitors were to expose "the terror policy of the Israeli army, the Israeli secret service, and the army of the south (Lebanon)."

They were also to seek information about "camps and interrogation centres where Red Cross observers have never been admitted," according to the newspaper account.

The Greens also planned to meet PLO leaders in Amman, it said.

Man charged with bringing two pistols to airport

TEL AVIV (Itim). - A Nahariya man caught at Ben-Gurion Airport with guns in his suitcase was arraigned in the district court here yesterday.

According to the charge sheet, 25-year-old Anzor Zonanshivili was caught last April 30 at the airport with two pistols, one of them loaded with five bullets. A number of illegal charges had also been made in his passport.

Korac Cup

Licor Barcelona (Spain) beat Hapoel Haifa 92-90 in Tel Aviv. The half-time score was 45-44.

Jerusalem Post Subscription Rates

3 months	IS 27,400
6 months	IS 51,700
12 months	IS 98,230

Prices include VAT and home delivery.

Subscriptions Dept., The Jerusalem Post, P.O. Box 91000 Jerusalem 91000



President Chaim Herzog yesterday receives former French premier Jacques Chaban-Delmas at Beit Hanassi in Jerusalem. (Rahumim Israel)

Ex-police chief to prison for asking for sexual bribe

HAIFA (Itim). - A high-ranking police officer convicted of asking for a sexual bribe was yesterday sentenced to three months in jail by the district court here.

Superintendent Eli Ben Ya'acov, who was relieved of his post as chief of the Nahariya police three years ago, was acquitted on 15 other charges, including misuse of authority, accepting bribes and obstructing investigations.

The officer was found guilty of asking the sister of an arrested criminal for sexual favours seven years ago. Ben Ya'acov's trial started in August, 1982. Forty witnesses testified in 50 sessions.

A number of character witnesses, including former mayors of Nahariya and Acre and police officers, testified on Ben Ya'acov's behalf before he was sentenced. MK Binyamina Ben-Eliezer, in written testimony, cited the defendant's devotion and courage in his many years on the force.

In passing sentence, the court said it was mindful of the ostracism Ben Ya'acov had suffered since being relieved of his duties; but jail was in order because police officers must be above reproach.

Ben Ya'acov will not begin serving his sentence until February, since the defence has said it may appeal to the Supreme Court.

NII pensions to rise

By ILAN CHAIM
Jerusalem Post Reporter

The Treasury and the National Insurance Institute yesterday reached agreement on a new system for updating payments which are the neediest NII beneficiaries' sole support.

Under the terms of the agreement, some 235,000 old-age pensioners, widows and disabled persons are to receive payments fully linked to the Consumer Price Index and to cost-of-living increments paid to wage earners.

At a final negotiating session headed by Finance Minister Yitzhak Moda'i, Labour and Social Affairs Minister Moshe Katsav and NII

Director-General Nissim Baruch, the two sides concluded the agreement to run for one year from December 1.

The arrangement is to be formalized by an amendment to the NII Law. The two sides are to present the change to the cabinet for endorsement on Sunday.

Senior NII sources noted that the Knesset Labour and Social Affairs Committee had already expressed interest in speeding through a government bill on the matter. But if the measure does not become law this month, the agreement will be carried out *de facto* under Article 200 of the NII Law, which provides for such Treasury-NII arrangements.

Defence-Treasury clash expected in cabinet panel

By AVI TEMKIN
Post Economic Reporter

A major clash between the Treasury and the Defence Ministry is likely today as the cabinet committee dealing with the cuts in the defence budget renews its deliberations.

The committee's intervention became necessary when the Finance and Defence Ministries were unable to bridge a \$500-600 million gap in negotiations over the defence budget.

Negotiations began after the cabinet decided last month to slash \$100m. from the Defence Ministry budget. A few weeks earlier, the cabinet had decided to reduce the military budget by \$300m., in the framework of a \$1 billion cut in the government budget.

Treasury sources reacted angrily yesterday to the remarks made last week by Defence Minister Yitzhak Rabin that the Treasury's proposed cut in the military budget would amount to \$1b., making it the largest reduction since 1952 in proportional terms.

The sources said that the Treasury actually wanted to bring the Defence Ministry budget down from \$2.6b. in fiscal 1984 to \$2.2b. in fiscal 1985. This, they said, is in keeping with cabinet decisions to trim the military budget by \$400m.

The Defence Ministry is demanding that the cuts be calculated from

what it says was the August 1983 level of \$3.2b.

The Treasury sources said that the Defence Ministry is trying to convince the ministers that previous budget cuts were to be one-time reductions. But the Treasury says the cabinet intended a permanent reduction in the annual defence budget. This would mean that the base figure for next year's outlays would be \$300m. lower than this year - and that another \$100m. must be cut from this base.

Treasury sources also complained that the Defence Ministry is demanding compensation for unplanned price increases by listing a higher base figure for its budget. "No other ministry is making such demands," the sources said.

The sources argued that the Defence Ministry had at its disposal resources that did not appear in its budget, and thus the cuts would affect its operations far less than it would have the public believe. Among such resources they cited Defence Ministry income from arms sales abroad.

Speaking about the future of the Lavi fighter, the sources indicated that the Treasury would not oppose continuing its development and production on two conditions - that the U.S. finance the entire programme, and that there be no plans for a domestically-produced fighter after the development of the Lavi ends.

TEL AVIV

(Continued from Page One)

to act according to public discipline, in the national interest, with caution and responsibility that befits the times."

Shahal said that the irresponsible administration of Tel Aviv's finances "by its municipality and the person who is at its head" had led the city into financial trouble.

Two MKs - Shmueli-Mordechai Virshubski and NRP's David Dandani - blamed Tel Aviv's woes on wastefulness by the municipality and inaction by the Interior Ministry.

Elementary schools will continue to function today but more volunteer parents are needed to help with cleaning. Those kindergarten teachers who receive their salaries from the Ministry of Education will keep the kindergartens closed unless parents come to help them. If enough help is available, the kindergartens will be open. Kindergarten teachers who are paid by the city are on strike pending receipt of their November salaries, as are high school teachers paid by the city.

Histadrut Teachers Union secretary-general Yitzhak Welber yesterday sent a telegram to Education Ministry Director-General Eliezer Shmueli saying the teachers and principals cannot take responsibility for having the children clean the schools.

In Beit Shean, emergency services were closed down yesterday, as the municipal strike entered its third day. It was learned that the Treasury had transferred a special emergency payment to the municipality; but the banks seized it in lieu of the municipal debt, which amounts to over IS\$500 million.

The secretary of Beit Shean's Labour Council warned yesterday that some families of municipal employees faced real hardship and he feared an outbreak of violence if the matter was not resolved.

Contractor missing

NETANYA (Itim). - One of this town's leading building contractors has been missing since the beginning of the month. Yosef Harshig, 57, was reported missing by his family on December 4, but he had not been seen for two days previously.

Police, aided by volunteers, have been searching for Harshig, but have only found his car, parked in the centre of town. Some years ago, Harshig's partner committed suicide after having financial problems.

Study shows increase in taxes collected in Areas

Jerusalem Post Reporter
The latest report of the Judea and Samaria Civil Administration for 1982-83 due to be published soon notes a 71 per cent real increase over the previous year in the collection of income tax from Arab residents.

Income tax collected between 1982 and 1983 reached IS1.02 billion. Observers noted that this figure appeared very low, but pointed out that it had to be seen in terms of the value of the currency at the time of payment.

Overall tax collection in real terms, including town and village property taxes and business taxes, increased by 63.9 per cent during the same period.

Low tax collection among Arab residents of the areas has often been claimed by Jewish settlers, right-wing politicians, and Israeli businessmen who complain of unfair competition. Tax collection is conducted by local officials under the

supervision of Israeli civilians seconded to the civil administration.

The report also records a significant decline in the number of disturbances of public order in the area, a reduction in the activities of pro-PLO factions and an increase in the activities of pro-Jordanian elements including members of the recently revived Jordanian parliament.

The report records with satisfaction the end of the boycott of the civil administration by local Arab municipalities and institutions.

The Arab population in the West Bank is estimated to have increased by 2 per cent during 1982, and by 2.3 per cent during 1983.

Senior military commanders in the area have also commissioned a study of the military and psychological aspects of reservists serving in the territories. The study is being conducted by army specialists with the aim to improve the efficiency of the reservists and to minimize the negative aspects of duty there.

Drori seeks Peres's help to win top IDF assignment

Post Defence Reporter
TEL AVIV. - Aluf Amir Drori, who was head of Northern Command during the Lebanese war in 1982, will reportedly seek Prime Minister Shimon Peres's intervention to win the post of Deputy Chief of the General Staff although Defence Minister Yitzhak Rabin and Chief of the General Staff Rav-Aluf Moshe Levy have decided to give it to Aluf Dan Shomron.

Shomron, who became famous for his role in the Entebbe Operation and was later head of Southern Command, now heads the Ground Corps Command. He is scheduled to assume the new post early next year, replacing Aluf David Ivri who will move to the Israel Aircraft Industries.

Shomron and Drori have been considered the frontrunners for Ivri's job. The post is covered because it is believed to be the stepping stone to the post of CGS.

Several weeks ago, it became known Shomron was likely to get the job. Drori flew home from his studies in the U.S. to bid for the slot, but he apparently failed to win over either Rabin or Levy. Israel TV reported last night that Rabin and Levy have formally permitted him to approach Peres. A source in the Prime Minister's Office told *The Post* that so far no meeting has been scheduled.

'Time' rejects gov't offer that Kahan examine papers

By WALTER RUBY
Jerusalem Post Correspondent

NEW YORK. - Judge Abraham Sofaer announced yesterday that *Time* magazine had rejected the Israel government's offer to have former Supreme Court judge Yitzhak Kahan examine classified documents relating to Industry and Trade Minister Ariel Sharon's libel suit against the journal, and answer specific relevant questions.

According to Sofaer, *Time* said it would "gladly accept" Kahan as the examiner of the documents, provided that its attorneys also participate in the examination. Attorney-General Yitzhak Zamir has already rejected a request by the magazine's attorneys to examine the classified material.

Sofaer said that if the Israel government does not reconsider the refusal, he will withdraw his request for answers to certain questions that he had earlier submitted to the government.

Time writer William Smith, who wrote the cover story, "The Verdict is Guilty," testified yesterday that a reading of newspaper cuttings from the Israeli and international press

had convinced him that Jerusalem-based *Time* reporter David Halevy was correct in his appraisal of Sharon's role in the events leading up to the Sabra and Shatila massacres in 1982.

Smith cited a comment from Prime Minister Shimon Peres shortly after the massacre that a person "didn't have to be so smart" to project the results of allowing the Phalangists into the camps. Smith also quoted a number of Israelis over the years, including the country's first prime minister David Ben-Gurion, who had described Sharon as a liar.

In Jerusalem, the Citizens Rights Movement yesterday petitioned the High Court of Justice, asking it to order the prime minister or the government to tell Industry and Trade Minister Ariel Sharon to return home at once and fulfil his official duties. Alternatively, Sharon should be ordered to take indefinite leave, while he is in New York attending his libel suit against *Time* magazine. The petition also asks the court to order the accountant-general to stop paying Sharon's expenses. (Itim)

(See stories p.3)

Arrests as Durban dissidents end sit-in

DURBAN, South Africa (Reuters). - Three anti-apartheid activists ended a three-month sit-in at the British consulate yesterday and two were promptly arrested by police, eyewitnesses said.

Hundreds of blacks and Indians, defying a ban on demonstrations, chanted slogans in support of the three and marched through the centre of the city as they emerged from the consulate.

A spokesman at police headquarters in Pretoria said the two would appear in court today on charges of high treason, which can carry the death penalty.

The arrested men are Archie Gumede, president of the United Democratic Front, a multi-racial

organization opposed to apartheid, and Paul David, an executive of the Natal Indian Congress.

Billy Nair, also an executive on the Indian Congress, walked from the front of the building, where he was immediately hoisted onto the shoulders of the crowd and carried down the street. (AP, Reuters)

PRIZE. - Israeli writer Naomi Shepherd has won the £3,000 H.H. Wignate Prize - Anglo-Jewry's major literary award - for her book *Wilfred Israel: German Jewry's Secret Ambassador*. The prize was presented to her by Lord Goodman at a ceremony in London last night.

The entire Bar-Ilan family mourns the passing in Israel of

SARAH HIRSCHFELD

mother of ABRAHAM HIRSCHFELD, mother-in-law of ZIPORA HIRSCHFELD and grandmother of ELIE HIRSCHFELD.

May her memory be blessed.

Rabbi Emanuel Rackman, President Bar-Ilan University, Ramat Gan
Ludwig Jesselson, Chairman Global Board of Trustees
Jane Stern, President American Board of Overseers

Our beloved

CHARLES GARBER

has passed away after long suffering.

The funeral will take place today at 2 p.m. at Ashkelon cemetery.

Yehudit and the children

Shahal tells the Knesset:

Nuclear power station must be well financed

By AARON SITTNER
Jerusalem Post Reporter

One of the conditions for building a nuclear reactor to produce electricity is that it be economically feasible, Energy Minister Moshe Shahal declared in the Knesset yesterday.

He spoke on motions for the agenda introduced by six members on the subject of a possible purchase of French nuclear reactors for energy production.

As the national electric power grid is developed, Shahal said, estimates are made both of anticipated growth in demand and of possible alternative energy sources (besides coal and oil).

"I can assure you that in deciding on a project of such magnitude as building a nuclear power station, the government will first make sure that the supplier also finances the construction, and on reasonable credit terms. And that includes all the civil engineering and infrastructure work."

A dominant factor in choosing the supplier of a reactor will be the credit terms offered — terms that must not affect our balance of payments too sharply. The cost of this credit will have a direct bearing on whether or not expensive fossil fuels are really more costly than nuclear

produced electricity."

Shahal assured the House that there would be plenty of time to debate the pros and cons of nuclear power, "since such a project cannot get under way for years."

"Even construction of a conventional power station requires about a two year wait before all the permits are issued and earthwork can begin. With a nuclear power station, that waiting period would certainly be much longer."

Comments by MKs included the following:

Meir Cohen-Avidor (Likud): I wouldn't depend on the French government, in view of its embargo on arms sales to Israel in 1967, and its sale of a nuclear reactor to Iraq. These are acts that should not have been made by a friendly country.

Yossi Sarid (CRM): How can you talk of purchasing two nuclear reactors at a cost of four billion dollars when you don't even have enough money to pay Tel Aviv's municipal workers or save Aza from collapse?

Victor Shemtov (Mapam): It presents an ecological danger in a country as small as ours. It could open the way for France to sell nuclear reactors to Arab states, reactors that could eventually endanger our security.

Illegal parkers in capital may soon feel the 'Denver boot'

By MICHAEL ELIAN
Jerusalem Post Reporter

Cars parked illegally in downtown Jerusalem may soon be immobilized by the authorities using a locking device known as the "Denver boot."

The municipality has issued a tender for manufacturing 50 devices, he locks, named for the city in Colorado where they were introduced, are fastened onto one of the front wheels of parked cars obstructing traffic.

Mayor Teddy Kollek has reportedly lost patience with the way drivers cause traffic jams by parking illegally, and believes that parking tickets do not deter the worst offenders.

City officials said yesterday that the devices will be locked onto the cars by representatives of the Benitai company, which has the only three "Denver boots" in the country. A police will be left on the car informing the driver of the company's address and telephone number. The

driver will then have to go to the company to release the car.

The Benitai representative will apparently be accompanied by either a policeman or a city hall employee.

Their brief will apparently be to act against the worst offenders, such as those who park where there are no stopping signs or near corners on narrow streets.

According to a proposal to be brought for the city council's approval Sunday, drivers will have to pay \$10,000 to get their cars unlocked.

The municipal spokesman conceded yesterday that locking the cars into place would not solve the immediate obstruction to traffic. "But that driver and all the others who pass by the place while the car is immobilized will think twice before parking illegally," he said.

There are 4,630 parking places in downtown Jerusalem, and several hundred more are being prepared, he said.

Works committees 'won't let Ata close'

Jerusalem Post Reporter

AIFA. — The town's works committees yesterday pledged not to allow the Ata textile plant to be closed down, nor to abandon its more than 3,000 workers to dismissal.

Unnecessary, they pledged to close down every factory in Haifa to keep the 50-year-old Ata works open.

At an emergency solidarity meeting in the Haifa Labour Council, representatives of the committees unanimously resolved to call on the government to cancel forthwith the December 31 deadline for Ata's closure, set this week by the district

court, unless a buyer is found by then.

Today, Prime Minister Shimon Peres is scheduled to visit Haifa, and it is expected that he will announce the government's intention to prevent the plant's closure.

Joshua Brilliant adds: The Histadrut's holding company, Hevrat Ha'ovdim, yesterday made it clear that it would not buy Ata and suggested that private buyers be approached.

Hevrat Ha'ovdim head Danny Rosolio said that the Histadrut was "not the state's receiver," nor was it responsible for the failures of private entrepreneurs.

Egyptians non-committal on proffered union ties

EL AVIV. — Histadrut leaders yesterday told visiting Egyptian diplomats they would like to establish close relations with the Egyptian unions but the response was reportedly non-committal.

The Israeli hopes were expressed at a meeting between Secretary-General Yisrael Kessar and the Egyptian Embassy's Charge d'Affaires Mohammed Bassiouny and first Secretary Farouk Mabrouk, at Histadrut headquarters here.

Kessar told Bassiouny: "The Histadrut is interested in renewing and

strengthening ties between the workers' movements."

Gideon Ben-Yisrael, head of the Histadrut's organization department, who also attended the meeting, told *The Jerusalem Post* that no formal invitation would be issued, until it was clear that it would be accepted.

The Egyptian unions balked at ties with Israel and an embassy source here indicated that he did not expect a change before relations between the two governments were normalized.

Seamen's court hears appeal in stowaway case

By YA'ACOV FRIEDLER

AIFA. — The appeal of Captain Gilaad against his 60-day suspension for having put a stowaway to sea was heard yesterday by Seamen's disciplinary court. While master of the m.s. Moran, he had put a Tanzanian stowaway to sea off Mozambique in March 1982. The captain was suspended last month by the Transport Ministry's Shipping and Harbour Department. At the hearing yesterday, Avner's

attorney argued that the suspension had been improper and that he had still not received the inquiry board's official findings, having to rely only on press reports of it.

The Transport Ministry's attorney said that Gilaad's own statement that he would do the same again was sufficient ground for the suspension. Gilaad made the statement at a press conference after he was suspended. The court will announce its ruling shortly.



Young members of the Labour Party demonstrate yesterday in Jerusalem outside the Ministry of Industry and Trade against Ariel Sharon's government-financed stay in the U.S. A camping gas stove and frying pan refer to reports that Sharon and his wife Lily are cooking in their New York hotel room, and the placard beside it reads: "Sharon's kitchen, aid/fund for a needy minister." Another placard reads: "How many families could be supported with \$251 million per month?"

Thousands mourn Kedmi at graveside ceremony

By YA'ACOV FRIEDLER

Jerusalem Post Reporter

KFAR MASARYK. — Several thousand mourners, Jewish and Arab, military, civilian and police, attended the funeral of murdered woman soldier Hadass Kedmi at this kibbutz yesterday afternoon.

Hadass, 20, was apparently strangled to death. Her body was discovered on Tuesday on Mt. Carmel, 12 days after she disappeared while hitchhiking home.

The mourners included Mapam MK Victor Shemtov, (the kibbutz is affiliated with Mapam), Rakah MK Tewfik Toubi, soldiers, kibbutz members, representatives of Arab villages in the Galilee, hundreds of the estimated 20,000 volunteers who took part in the 12-day search for Hadass, senior police, army and Border Police officers and Aluf Mishne Amira Dotan, who heads the IDF's Women Corps.

Six soldiers from Kedmi's unit brought her coffin to the kibbutz cultural centre for the funeral services of which a military cantor recited a chapter from the Psalms and the *El Malei Rahamim* prayer.

There was no ceremony at the graveside, and no pictures were taken, in keeping with the wishes of the Kedmi family.

Kibbutz secretariat member Assa Meretz, speaking on behalf of Kfar Masaryk, said: "We stand at your graveside in shock. We have no words to console your family and we cannot be consoled. The pain is great and only our tears speak."

Kedmi's unit commander praised her talent, hard work and responsibility. Her boyfriend Ziv, who had spent a day's leave with her in Tel Aviv the day before her disappearance, said "I tasted of the sweet with you and today I taste of the bitter. Instead of our wedding we have your funeral."

In a message of condolence cabled to the mourning Kedmi family, Prime Minister Shimon Peres expressed his grief for "the wonderful bloom that was plucked so cruelly."

The two critically ill patients were yesterday sent home to await new donors.

Feuding doctors suspected of destroying vital organs

By D'VORA BEN SHAUL

Jerusalem Post Reporter

Neither Sheba Hospital at Tel Hashomer nor a Health Ministry investigating committee yesterday could determine the fate of two kidneys that disappeared from the hospital last Thursday. The kidneys, which were to be implanted in two critically ill patients, were found to be missing from the cold chest where they were stored when their scheduled recipients were on the operating table.

Experts say that the kidneys could not possibly have been diverted to other transplant patients, since there is a serious problem of genetic matching. It appears that one of the doctors destroyed them, these sources said.

According to hospital sources, a dispute between two professors who do transplants led to the unauthorized removal of the organs from the storage unit.

The two critically ill patients were yesterday sent home to await new donors.

He characterized as "despicable" those who say that perfect security for the Galilee is unattainable and that Jews there must accept the possibility of one or two Katyusha rockets falling on their homes each month.

"I don't want even one Katyusha falling on Kiryat Shmona or the children's house at Kibbutz Misgav Am. Since the IDF is the only thing that can stop that happening, it looks as if the IDF will have to stay in Lebanon," Eitan said.

He denied that the army's extended stay in Lebanon, and the necessity of coping with what some commentators call a guerrilla war, is

damaging the IDF's training programme or hurting morale.

"It's all up to the individual commander in the field," Eitan said. "If you want to train, you can train very well in Lebanon. You can take advantage of the need to be on the alert all the time. You can turn it into a virtue. As for whether your opponents are terrorists or guerrillas, Shi'ites or Palestinians, that's unimportant. Whatever you call them, they're the enemy, and the enemy is the same everywhere, whether he's laying a roadside bomb in Lebanon or murdering Danny Katz or Hadass Kedmi."

Weizmann Institute chair to be named for Thatcher

Jerusalem Post Correspondent

LONDON. — A chair is to be established at the Weizmann Institute in the name of British Premier Margaret Thatcher. At her request it will be in chemistry — which she studied at university before entering politics. She visited the institute as a student.

The chair will be inaugurated at a dinner here next year, which Thatcher will attend.

Haifa wants stricter anti-pollution measures

Jerusalem Post Reporter

HAIFA. — The municipal council yesterday resolved to call on the government to carry out an Interior Ministry order obliging Haifa's oil refineries to take stringent anti-pollution measures, including the use of low sulphur fuel.

Energy minister Moshe Shahal has suspended the order as too expensive to implement.

Mayor Arye Gurel proposed that the costs be defrayed by a 1 per cent tax on electricity and motor fuel.

For example they said, aircraft

maintenances crews are now smaller than in the past, because technicians leave the Air Force for jobs with the Israel Aircraft Industries, where the take-home pay is double and sometimes triple Air Force wages.

The officers also reported that fatalities in IDF road accidents this year stand at 79, down from last year's 93.

When committee members asked about damage from sonic booms by Air Force planes, they were told that most training flights causing these booms take place over the sea. Occasional supersonic training flights over land are unavoidable.

Council for Democracy holds its first meeting

Jerusalem Post Reporter

Democracies have not collapsed because they were attacked, but because of internal weakness, Prof. Ephraim Urbach warned yesterday at the first meeting of the Public Council for Democracy.

The council, headed by Knesset Speaker Shlomo Hillel, aims to strengthen democratic values among the general public and particularly

among the young. Also participating in the first meeting were Education Ministry Director Eliezer Shmueli, writer Moshe Shamir and Van Leer Institute Director Alouf Hareven.

ARAB AFFAIRS. — Police Minister Haim Bar-Lev yesterday appointed veteran police officer Hanna Hadad as his adviser on Arab and Druse affairs.

Labour joins vote to protect Sharon

By AARON SITTNER

Strict coalition discipline yesterday prevented Alignment MKs from backing a call by Mapam's Ran Cohen for a parliamentary investigation into two alleged "criminal acts" during Operation Peace for Galilee by then defence minister Ariel Sharon.

Despite many affirmative nods from Alignment MKs during Cohen's speech and an impassioned supportive address by the Alignment's Haim Ramon, the House voted along coalition-opposition lines, heeding Justice Minister Moshe Nissim's advice to strike Cohen's motion from the agenda.

Cohen charged that Sharon twice ordered local commanders to take actions during the war that had not been approved by the cabinet. Amid a continuing uproar from Likud benches, where MKs sought to defend

Sharon, Cohen said that in the first incident (during the third week after the invasion of Lebanon), Sharon appeared on the scene in an area south of the Beirut-Damascus highway and, "without prior knowledge of his fellow ministers" ordered the commanders there to storm the heights overlooking the highway.

Cohen added: "This assault had not been planned, and as a result the unit came under enemy fire which killed 23 Israeli soldiers."

"The second incident occurred at the beginning of August 1982, when orders inspired by Sharon reportedly set a unit moving in a southwesterly direction away from Beirut. Again, the move had not been approved by the cabinet, and this time 17 Israeli soldiers paid with their lives, as their unit came under fire," Cohen said.

Cohen said this was an attempt by Sharon to demonstrate that only he, and not

his fellow cabinet ministers, knew what should be done.

Cohen also demanded that Defence Minister Yitzhak Rabin immediately lift the ban he has reportedly imposed on the IDF's own investigating branch, forbidding it to open a probe into the two incidents.

Justice Minister Moshe Nissim asked the House to dismiss Cohen's motion, claiming that it was really a political attack on the person of Ariel Sharon. Nissim recalled that Cohen had raised the same two incidents during the last election campaign, and had even staged a public trial of Ariel Sharon over them.

Cohen said: "These two incidents must be investigated by the Knesset itself. If Sharon is found guilty, he must be put on trial. If he is exonerated, then I shall return to this rostrum, apologize and beg forgiveness."

Sharon: My duty to Jewish people foremost

By WALTER RUBY

Jerusalem Post Correspondent

NEW YORK. — Industry and Trade Minister Ariel Sharon, who has been here for the last month attending his libel suit against *Time*, said yesterday that had he been in Israel he could have dedicated himself more to his ministerial duties, but the *Time* trial was important for the whole Jewish people.

Sharon was being interviewed on the Nightline show by Ted Koppel, who asked him about criticism in Israel that he is neglecting his duties.

"No doubt if I could have been in Israel now, I could have dedicated myself more to the duties that I have. Israel is in very hard economic conditions and being minister of industry and commerce I have many things to do," Sharon said.

But he added "The citizens of Israel know me for many years as being on the front line. I believe the majority of the people understand that... (the trial against *Time*) is a front that is a very important front

for the State of Israel and the Jewish people."

Asked by Koppel if he wants to be prime minister, Sharon responded, "I believe that if the day will come, I will try in a democratic way to achieve that."

But he stressed, "this trial has nothing to do with that. This trial has one purpose only...I felt I had come over here to wipe out forever that blood libel we were accused of."

Sharon was asked whether he was justified in seeming to equate himself with the State of Israel and the Jewish people. Sharon responded, "I was libelled (by *Time*) not as an individual, but as a member of the cabinet of Israel."

When Koppel asked him if, by his use of the term "blood libel" he meant to equate *Time* with "the great anti-Semites of history," Sharon responded, "I wouldn't like to go so far... (but) what *Time* wrote about Israel, sometimes about myself, and about the Israel Defence Forces... are among the worst things that have

been written about any other people in the world. I do not believe that something like that would have been written about the secretary of defence of the United States."

Sharon said he plans to use any money that he may win as a result of his \$50 million suit to set up a fund to fight "every blood libel against the Jewish people and the State of Israel."

In an interview published on Tuesday in the *New York Post*, Sharon said, "I didn't come here to gain money... (but) to wipe out that accusation (by *Time*). If this fund is established, magazines like *Time* — or any other — will have to think twice before they libel the State of Israel."

Sharon said that in addition to aiding Jewish victims of libel, the fund will be dealing with giving the needed information about Arab terror and its most harsh results — the history of that terror, the dangers of that terror and emphasizing its terrible results."

Slaughterers threaten refrigerated sit-in

KIRYAT MALACHI (Itim). — Slaughterhouse workers meeting here last night threatened a sit-in in a refrigeration room in one of the country's slaughterhouses to protest against dismissal notices they began to receive yesterday.

Some 1,500 of the 3,000 slaughterhouse workers have received dismissal notices, following a decision by the Moshav Turkey Growers Action Committee to stop rearing the birds, because of heavy losses over the last two years.

Haifa wants stricter anti-pollution measures

Jerusalem Post Reporter

HAIFA. — The municipal council yesterday resolved to call on the government to carry out an Interior Ministry order obliging Haifa's oil refineries to take stringent anti-pollution measures, including the use of low sulphur fuel.

Energy minister Moshe Shahal has suspended the order as too expensive to implement.

Mayor Arye Gurel proposed that the costs be defrayed by a 1 per cent tax on electricity and motor fuel.

For example they said, aircraft

maintenances crews are now smaller than in the past, because technicians leave the Air Force for jobs with the Israel Aircraft Industries, where the take-home pay is double and sometimes triple Air Force wages.

The officers also reported that fatalities in IDF road accidents this year stand at 79, down from last year's 93.

When committee members asked about damage from sonic booms by Air Force planes, they were told that most training flights causing these booms take place over the sea. Occasional supersonic training flights over land are unavoidable.

Council for Democracy holds its first meeting

Jerusalem Post Reporter

Democracies have not collapsed because they were attacked, but because of internal weakness, Prof. Ephraim Urbach warned yesterday at the first meeting of the Public Council for Democracy.

The council, headed by Knesset Speaker Shlomo Hillel, aims to strengthen democratic values among the general public and particularly

among the young. Also participating in the first meeting were Education Ministry Director Eliezer Shmueli, writer Moshe Shamir and Van Leer Institute Director Alouf Hareven.

ARAB AFFAIRS. — Police Minister Haim Bar-Lev yesterday appointed veteran police officer Hanna Hadad as his adviser on Arab and Druse affairs.

Olympic's newest route to Australia

Every Monday & Thursday to the Fifth Continent

A WISE CHOICE.

"Hop" with us to Australia!

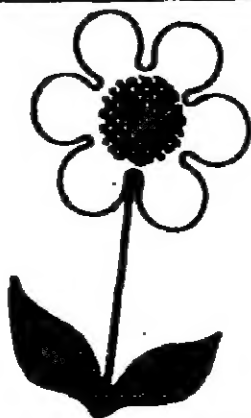
From now twice a week. The shortest and most comfortable route to Melbourne or Sydney via Singapore. Fly Olympic to the Far East and Australia.

Ask your travel agent.



MEROM-NAVEH — THE CITY IN GREEN — AN ADDRESS YOU'LL BE PROUD OF.

APARTMENTS IN STAGE B — NOW AT PRICES YOU CAN AFFORD!
Unique campaign terms: Prices calculated at only IS. 527 to the S. In addition, you get a reduction of 1/2% PER DAY on any payment you make before December 31, 1984.
Is it your dream to leave the crowded city and see a vista of lawns and trees from the windows of your home? If so, MEROM-NAVEH in the heart of Ramat-Gan is the place for you.
In MEROM-NAVEH we're planning swimming pools and all facilities you need located around a beautiful park.
The shopping center is already under construction.



A SOUND INVESTMENT WITH A RELIABLE COMPANY

SAME PEOPLE, SAME ATMOSPHERE, SAME STANDARD OF LIVING: NAVEH-AVIVIM, NAVEH-AMIRIM, MEROM-NAVEH.

NAVEH Construction Company (1956) Ltd.
Subsidiary of Property & Building Corp. Ltd.
Head Office: 53 Arlosoroff St., Tel-Aviv. Tel: 241168
Sales office and model apartment on site: Tirza St., Ramat-Gan. Tel: 03-777137
Sales office: 173 Dizengoff St., Tel-Aviv. Tel: 240128.

HANUKKA, the Festival of Lights, is one of the most joyous holidays, a time for being with family and of giving gifts to children.

The custom is to consume quantities of latkes and doughnuts, but apart from these, there are no traditional foods for the holiday. One can, however, experiment with a variety of dishes suitable for festive occasions in the winter; in these money-conscious days, a simple meal with a special dessert will be appreciated by family and guests alike.

Homemade delicacies - such as those suggested below - provide a festive finish to such a meal, served with coffee or tea. Or, if they are nicely presented, they make ideal Hanukka gifts.

Glazed Puffs

(Makes 2½ dozen)
30 gr. margarine
¼ cup sugar
2 eggs, well beaten
2 cups flour, sifted
½ pkg. (2 tsp.) baking powder
½ tsp. salt
½ tsp. mace
½ tsp. nutmeg
½ cup milk
Glaze:
2 tsp. light corn syrup
2 tbs. rum or ½ tsp. rum essence
diluted in 2 tbs. water
1½ cups icing sugar
¼ cup hot water
Cream margarine and sugar together until light and fluffy. Add beaten eggs and mix well. Sift dry ingredients together and add alternately with milk to the creamed mixture. Chill thoroughly. Drop by rounded tablespoons in deep, hot oil. As puffs rise to the surface, rotate them until all sides are brown. Drain on absorbent paper.

Combine syrup, rum or essence, icing sugar and hot water to make a thin glaze. Dip puffs in the glaze while still warm.

All-time Orange Doughnuts

(Makes 2½ dozen)
2 cups flour, sifted
4 tsp. (1 pkg.) baking powder
½ tsp. salt
¼ cup sugar
30 gr. margarine, melted
2 eggs, beaten
¼ cup milk
grated rind of 1 lg. or 2 sm. oranges
oil for frying
Sift together flour, baking powder, salt and sugar. Stir in melted margarine, eggs, milk and orange rind. Drop by spoonfuls into hot oil and fry a few at a time. Turn to brown both sides evenly, about 5 minutes total time. Drain on absorbent paper and roll in icing sugar before serving.

Sweet Potato Latkes

From my own kitchen - without salt.
(Makes 1½ dozen)
500 gr. sweet potatoes
¼ cup flour, sifted
1 egg

2 tbs. sugar
½ tsp. cinnamon
1 tsp. baking powder
50 gr. (4 tbs.) raisins or candied citrus peel

Grate sweet potatoes and add next five ingredients. Mix well and then stir in the fruit. Carefully place by tablespoonful in skillet of hot (shallow) oil and fry until golden, turning once. Drain on absorbent paper. Nice as is, but can be served with cream or parve whip with a couple of dashes of cinnamon.

Banana Doughnuts

(Makes 3½ dozen)
5 cups sifted flour
1 pkg. (4 tsp.) baking powder
1 tsp. baking soda
2 tsp. salt
1 tsp. nutmeg
60 gr. margarine
1 cup sugar
3 eggs, well beaten
½ cup buttermilk (or ryvym)
2 bananas, mashed
1 tsp. vanilla essence
oil for deep frying
Sift together flour, baking powder, soda, salt, nutmeg. Beat margarine and sugar until creamy, light and fluffy. Add eggs and beat well. Combine bananas, buttermilk and vanilla, add to the creamed mixture and blend.

Now add flour mixture and mix thoroughly until smooth. Turn a small amount of dough each time onto a lightly floured board and knead very lightly. Roll dough out to 1 cm. thickness. Cut with a floured 6cm. (2½") doughnut or cookie-cutter. Heat oil until a 2½cm. cube of bread turns to a golden brown in just over half-a-minute. Fry for about 3 minutes or until golden brown. Best to fry two or three at a time. Drain on absorbent paper.

Georgian Hanukka Pancake

(Serves 4-6)
3 tbs. margarine
1 tbs. oil
3 lge. potatoes, cooked and mashed
3 eggs, beaten lightly
100 gr. walnuts, chopped
salt and pepper to taste.

Melt margarine in heavy pan with oil. Mix potato purée with eggs, walnuts and seasoning. Pour into pan and fry until the pancake is well crusted and golden. Turn and fry until other side is crusted. (To simplify the turning, first slide it onto a plate and turn as it slips back into pan.) Serve hot.

Iraqi Hanukka Fritters

(Israeli-style)
1 cup flour
1 cup semolina
1 cup cornstarch
water or oil enough so dough can be poured.

Mix all ingredients and pour into boiling oil through a funnel, tiny amounts at a time, stopping the flow with a finger. (Fritters should be similar in size to seiglach) Fry until golden brown (just a few moments).

Holiday delights

Bessie Springson

Scoop up with a slotted spoon and throw into a pan of hot honey for a minute. Remove and cool.

Festive Pear Conde

A conversation piece! (Serves 6)
6 med. pears with stalks
1 cup rice, cooked
1 cup (¼ kilo) sugar
½ cup water
apricot jam
cream or parve whip
rum essence

In a strainer, place cooked rice and rinse with plenty of hot water. Cool in strainer.

Peel the pears thinly and cook in syrup until tender but still firm, being careful not to break the stalks. The syrup is made by boiling the sugar in the water for 10 minutes.

Prepare apricot sauce by heating the jam with just enough water to make a smoothly flowing sauce, and add six drops of rum essence.

Whip cream or parve whip, adding to it icing sugar according to taste. Mix half with the cold rice. Place rice in a flat serving dish and stand pears with stalks up on top. Spoon sauce over the pears. Pipe the cream or whip around the dish and decorate with strawberries or cherries.

My Israeli Trifle (Dairy)

1 lge. dry spongecake
red sweet wine or fruit juice
mixed fruit jam (red)
Curacao (Triple Sec) - optional
1 pkg. instant lime jelly

1½ cups (only) boiling water
2 lge. bananas
¼ cup pecan nuts, chopped
1 pkg. banana pudding (and milk)
1 bag whipping cream
½ tsp. vanilla essence
cherries for decorating
peaches or apricots - optional

Break up dry spongecake in a glass serving bowl. Pour just enough wine or fruit juice to moisten all the cake. Spread a layer of jam to cover the cake. Slice bananas lengthwise and arrange over the jam.

Prepare the jelly with boiling water, allowing it to cool. Before it sets, pour the thickened jelly over the bananas to form a layer. Make up the pudding according to instructions and layer it over the jelly.

If you wish to use Curacao, sprinkle a very little on the pudding, then sprinkle with the chopped nuts. Whip the cream with vanilla essence and spread or, with forcing bag, make small piles to cover the trifle. Decorate with cherries. The coloured layers make the trifle very impressive.

Thinly slice peaches or apricots layered over the pudding richly enhance the trifle.

No-bake Cake

Because of the richness of this cake,

only small portions need be served.

1 kilo sweet potatoes
250 gr. margarine
½ cup sugar
grated rind of 1 orange
grated rind of 1 lemon
¾ cup hot orange juice
½ cup Curacao or brandy
2 tbs. cocoa
50 gr. candied citrus peel
dissociated coconut

Cook the sweet potatoes in their skins. Peel, mash and immediately mix in the margarine.

Combine the sugar, hot orange juice, the rinds and the Curacao or brandy, and add to the potatoes, mixing well.

To one-third of the potato mixture add the cocoa; to the remainder, add the candied peel. Halve the candied peel-and-potato mixture. Pour one half into a loaf pan, then put the cocoa section in the centre, and the other half of the potato-peel mixture on top.

Sprinkle top of cake with dissociated coconut and decorate with red or green cherries.

Toffee Apples

Most children love toffee apples - especially at holiday time - so give them a treat.

1½ cups sugar
½ cup water
½ tsp. salt
1 cup syrup
1 tbs. margarine

½ tsp. vanilla essence
small sweet apples

Wash and dry apples. Insert a stick into the top of each one to act as a handle. Mix remaining ingredients together and bring to the boil, stirring only until melted, then continue boiling without stirring till syrup becomes hard and cracks when tested in cold water.

Allow the toffee to cool slightly and dip apples in it, one at a time, and carefully coat all round apple. Cool on greased waxed paper.

Toffee apples do not keep well and should be eaten on the day they are made.

Fondant Creams

450 gr. sieved icing sugar
1 level tsp. cream of tartar
¼ cup cream
1 egg white to form a stiff paste

Combine all ingredients and mix well. Turn onto a pastry board and knead mixture for a few minutes. Set aside for at least one hour before using. Add more sugar if necessary.

From the above, all the following fondants can be made:

Date Fondant

1 kilo pitted dates
fondant cream
icing sugar

Stuff each date with a small amount of fondant, coloured and flavoured as desired. Roll in icing sugar. Store in cool place.

Walnut Fondant

shelled, halved walnuts
fondant cream

Form fondant cream, flavoured as desired, into small balls. Place fondant balls between two halves of a walnut and press together carefully.

Allow to dry and set. Quite attractive when fondant is coloured pastel pink or green by kneading in a little food colouring.

Prune Fondant

½ kilo pitted prunes
fondant cream flavoured with vanilla or almond essence

Stuff each prune with fondant cream. Roll in icing sugar. Store in a cool place.

Ginger Creams

1 tsp. ground ginger
small pieces of preserved ginger

Knead fondant and ground ginger together well. Form into small marble shapes and toss in icing sugar. Press a small piece of preserved ginger on each sweet and allow to set on waxed paper.

Nut or Cherry Creams

1 kilo fondant
blanched almonds
shelled walnuts or glacé cherries

Form fondant into balls and decorate with walnuts, almonds or cherries.

Peppermint Creams

1 kilo fondant cream
peppermint essence (obtainable at pharmacies) or peppermint liquor

Flavour fondant cream with peppermint flavouring according to taste. Divide peppermint cream into two halves. Dye one section with green colouring.

Roll each section out in turn to about 1 cm. thick and cut into fancy shapes. (I prefer a small round shape with a silver ball pressed into the centre of each cream.) Allow to dry well before storing. If kept too long, the mints harden.

This advertisement is worth IS 2495.-

AT SUPER-SOL

CLIP THESE COUPONS

AND YOU'VE GOT A DISCOUNT.

When you present your discount coupon at the checkout you'll receive the price reduction stated on the coupon, on the stable prices of the products.

READY? SET, CUT!

Please note:
Only one reduction coupon may be presented for each item.

This coupon is worth **75. IS** toward the purchase of 200g. ELITE INSTANT COFFEE

Valid until 31.12.84

This coupon is worth **500. IS** toward the purchase of 20 pcs., 2 pkgs. SANITARY NAPKINS "Nova-IP"

Valid until 31.12.84

This coupon is worth **600. IS** toward the purchase of 3kg. bag LAUNDRY POWDER "Biomat"

Valid until 31.12.84

This coupon is worth **300. IS** toward the purchase of 3 pair PANTY HOSE "Can Can"

Valid until 31.12.84

This coupon is worth **300. IS** toward the purchase of 1 lit. LIQUID DISH SOAP, PALMOLIVE

Valid until 31.12.84

This coupon is worth **150. IS** toward the purchase of 830g. JELLY Doughnut mix Approx 20 SUFGANIOT "Efikol"

Valid until 31.12.84

This coupon is worth **300. IS** toward the purchase of 100 bags (blue package) TEA BAGS "Elzan"

Valid until 31.12.84

This coupon is worth **150. IS** toward the purchase of 1kg. Select, Frozen BEEF LIVER

Valid until 31.12.84

This coupon is worth **80. IS** toward the purchase of 2kg. APPLES "Grand Smith"

Valid until 31.12.84

This coupon is worth **40. IS** toward the purchase of 2kg. POTATOES

Valid until 31.12.84

Celebrating safely

SAFETY-conscious parents may be interested to know that the Ministry of Education and Culture does set safety regulations for Hanukka celebrations in schools and kindergartens. They make the following conditions:

- (1) It is forbidden to dance while holding lighted candles.
- (2) Children may light candles only from another candle (i.e., from the shamash), not from a match.
- (3) A teacher may demonstrate candle-making techniques, but must keep hot wax out of the reach of children.
- (4) In any communal celebration in schools, the assembly room may not be heated by an open-flame appliance.

Parents can help to see that such regulations are enforced. M.M.

On the market

BOTH ELITE and Efikol have come out with packaged doughnut mixes for the Hanukka season.

Unlike package cake mixes, neither of these doughnut mixes can be called "instant" because both require leaving the dough to rise twice - before and after shaping the doughnut balls. The Elite mix's rising time is 15 minutes shorter, a total of 45 minutes.

On the other hand, the Efikol product works out to be more economical: You are supposed to get anywhere from 15 doughnuts (at IS103 apiece) to 20 doughnuts (at IS77.5 each) from the Elite box of 850 grams dry matter, compared with a suggested 10 doughnuts (IS110 apiece) from the Elite box, which contains only 510 grams of ingredients.

The recommended price for Efikol's package is IS1,550 and for Elite's IS1,102 (without the oil for frying). Some stores have "specials" on one or both of these products for the holiday. M.M.

and crystal, locally carved chopping boards, etc.

Advanced technology has put glassware in the all-purpose category of kitchen and dining utensils. Heat-resistant glass cookware has been around for a long time, but whereas it was previously heavy and not overly attractive, it now has a deceptively fragile quality which belies its strength. Examples currently on display at Intira include Danish coffee percolators and casserole dishes with cork lids which can double as trays or coasters. These are great values in oven-to-table ware. Sets of three have been reduced from IS18,340 to IS13,780 in Intira's traditional Hanukka sale.

While Intira's lavish displays give the impression that the shop is expensive, anyone who has bothered to explore both ground level and basement knows that there are many wonderful bargains to be had even when there aren't special occasion sales. G.F.C.

FOR THE past few weeks, Josef Wolfsthal, proprietor of Intira, the Jerusalem store featuring tasteful and unusual oven and tableware items, has been apologizing to veteran customers.

Wolfsthal is one of scores of retailers adversely affected by the government's imposition of a freeze on imports. Unlike some of his colleagues who are not direct importers, Wolfsthal has been swamped with requests for porcelain and other ceramics. Fearful that supplies won't last, the public is turning to direct importers such as himself - whose prices are lower - and snapping up whatever goods are still available.

Despite a brisker-than-usual spate of business, Intira's shelves are not empty. Import restrictions do not as yet apply to glassware, and Wolfsthal

Most people don't know it, but all the main forms of saving in the Israeli capital market are based on bonds.

Thus, while the saver in a savings scheme or provident fund at the bank, or in a life insurance plan of some sort, has a contractual obligation between himself and the financial entity that holds his money, that same entity uses the money to buy government bonds. It does so, whether it wants to or not, because that is how the government has written the rules of the capital market.

There are special kinds of bonds for long-term savings, such as provident funds and pension schemes, and a different sort of medium-term savings of the sort covered by the various savings schemes offered by the banks.

In other words, the banks and insurance companies act as middlemen for the purpose of channelling the public's savings to the government. Under this system, the banking system acts as the Treasury's marketing agent, and taking a form of commission—the margin between what the banks pay and what they receive—as a reward for their efforts. When people speak of the capital market being "nationalized," this is what they mean.

This system has resulted in a very cosy world. Israel has for long been the only western country where the private saver was guaranteed a real return on his capital, whatever the rate of inflation, so long as he lent it to the government. Private industry, for obvious reasons, could give no such guarantee, and therefore it was squeezed out of the market. (In passing, it should be noted that the origin of the system of "regulating" bank share prices was the need of the banks to compete with the terms of government index-linked bonds.)

So molly-coddled have the savings institutions become, that when the government actually permitted them to invest more than 8 per cent of their assets in non-approved instruments—i.e. shares, loans and other forms of investments, apart from the bonds that the government issued specially for them—they were very reluctant to do any such thing, and for good reason. They had bound themselves to their contracts and advertising to produce certain returns, which were based on the returns that they themselves received from the bonds they were allowed to buy. Any other investments were more risky, and since they had no real incentive to try and achieve higher returns, they declined to take the risk of lower returns in the hope of higher ones.

In a stock market where cash dividends were and are extreme rarities and wherein shares are bought and sold almost entirely on speculative grounds, in the search for capital

Venturing into the Israeli capital market means entering cloud-cuckoo land, where the government calls the shots in line with its needs, rather than its capability to repay. Government bonds are the basis of all the various savings schemes. PINHAS LANDAU writes in the third of a series.

Savings scheme, thy name is bonds

gains, this approach was not surprising and, indeed, entirely justified. By way of contrast, savings institutions in "normal" countries with rational capital markets make only minimal promises to their savers (based on average returns over 40 or 50 years). Their actual performance in managing their assets and investing them in all the different ways open to them determine their business success, and hence their growth.

In other words, the Israeli capital market is simply a great cloud-cuckoo land, where the government calls the shots in line with its needs, rather than its actual capability to repay. It is an actuarial nightmare, with debt mounting up in every direction, in inverse proportion to the ability to pay it off or even service it. However, the relentless pressure generated by the needs of the government for more money, both to pay old loans and to cover new deficits, forces the system to remain in operation. The only way it can do that is by paying higher prices for the new money that it needs.

The level of distortion enforced by the government's policy will today reach new peaks, with the introduction of new bond issues onto the open market, whose terms far surpass anything seen hitherto. Before examining these terms, it is necessary to explain certain trends that have surfaced in the bond market in recent months.

The collapse of the bank shares late last year dragged the bond market down after them, so that bond yields reached very high real levels at the beginning of 1984. At the same time, the move to much higher monthly inflation rates, from October 1983 and onwards, made all the existing forms of index-linked savings far less attractive than had previously been the case.

The first of these phenomena made it worthwhile for the institutional bond buyers, such as the banks seeking cover for their savings scheme deposits, the pension and provident fund managers, and the insurance companies, to buy in the secondary market (i.e. the "black market").

change, where the bonds that had already been issued were traded) and invest in the series that had not been specially designed for them but were very cheap. This was preferable to buying in the primary market, i.e. directly from the Treasury, taking only the "special" bonds, which are not registered for trading in the market. The necessary changes in the regulations were eventually made, and the big buyers moved massively into the bond market at the stock exchange.

Simultaneously, the general public moved away from this market. This move was prompted by the crisis of confidence following the bank share collapse and also by the increase in monthly inflation rates noted above. This increase made it far more worthwhile to invest in dollar-linked schemes, which are based on the daily representative rate, rather than the consumer price index, which is only published once a month. Worse still, the index is 6-8 weeks behind, since the index for November, say, published on December 15, measures the change in average prices of November over those of October. In other words, on December 15 the public finds out what the level of prices was on November 15, on the average. The saver, however, cannot obtain his funds on that day.

Savings schemes are redeemed around the 25th of each month. Bonds are in a worse position, since they are redeemed on a fixed date—based on the last known index. If the redemption date is the 12th or the 14th of the month, the bondholder receives the index published on the 15th of the previous month, which reflects the prices of the 15th of the month before that. When inflation is running at 20-25 per cent monthly, the bondholder loses about half of the value of his money because of this system. Even 15 per cent monthly inflation takes an enormous chunk out of his capital. The saver in bank schemes or provident funds loses a smaller proportion, but enough to make the whole investment a large loss, in real terms.

Because of this, the public turned away from the bond market, and in the savings scheme area, concentrated on dollar-linked programmes. Hence the statistics quoted in the last article, which show that hardly any of the government's borrowing came through the bond market in the whole of this year to date. The need to bring the public back forced the government to change the terms it was prepared to offer on its public issues.

To answer these problems, the Treasury has authorized basic changes in the rules governing bond issues. In the first place, the linkage will be to the index pertaining to the month in which the bond is issued, instead of the last-known index on the day of issue. Thus at the time of redemption, the bondholder will receive linkage up to the last known index on redemption day, and the residue, less five per cent, after the publication of the index for the month in which redemption is made, on the 15th of the following month. The problem of capital erosion is thus almost eliminated.

Furthermore, in order to make the return on the investment more attractive, the rate of interest on index-linked bonds is being raised to 4.25 per cent, which is equivalent to 2.8 per cent after tax. More important, the issue price will be fixed by public auction, and may range as low as 80 per cent of par. This will give a major boost to the yield.

If, for example, the bond is bought by the market at 90, a full 2 per cent is added to the yield per annum, since redemption is at par, or 100, five years later. In fact, taking into account the extra interest yield based on an issue price of 90 rather than 100, the total yield will be in the order of 5 per cent per annum—after inflation.

This is about the same as savings schemes offer, and not significantly different from the basic yield on provident funds. If one ignores the tax advantage that these latter also offer. However, savings schemes are shut up for 3-5 years and provident funds for at least 15 years, while bonds are freely tradable.

There is no rationale to explain this situation, other than the cold logic of the market, which refuses to allow the government to raise its money any more cheaply than on these unprecedentedly good, and unsustainable, terms.

Subsidiary for Alkol

Jerusalem Post Reporter
Alkol notified the exchange that it had received permission from the Bank of Israel to establish a subsidiary in the U.S., called Alkol International, which will market Alkol's products in the American market. Alkol produces specialized floors and walls.

Court approves liquidation of Creusot-Loire

PARIS (Reuters). — A French court yesterday approved the liquidation of heavy engineering firm Creusot-Loire and immediately approved a plan by two state-controlled groups to take over part of its assets.

The widely-expected decision ended more than a year of intensive, often bitter efforts to rescue one of France's largest and best-known private companies. Creusot owes an estimated 2.5 to 3 billion francs (\$260 to \$320 million) to state-owned banks, suppliers and subcontractors.

Under the plan, the state-owned steel group Usinor is to take over Creusot-Loire's metallurgy and armaments divisions, while nuclear reactor builder Framatome will take its energy and boiler-making activities.

Framatome's offer totalled 119m. francs (\$12.6m.) while Usinor has agreed to pay 58m. francs (\$6.1m.) for certain assets, with an additional sum possible pending an inventory of the other assets.

Global tobacco crop slightly higher

WASHINGTON (AP). — World tobacco production this year is estimated at 6.1 million metric tons, a 1 per cent increase from 1983 output, the U.S. Agriculture Department said yesterday.

The estimate also was up 3 per cent from a forecast made last May, the department's Foreign Agricultural Service said in a report.

Flue-cured tobacco production was estimated at 2.92m. tons, a 3 per cent increase from the May forecast. The 1983 output was 2.89m. tons. China's production was put at 1.3m. tons, compared with 389,000 tons for the United States.

Decreased production in Thailand this year was more than offset by increased output in South Korea and The Philippines, the report said.

A metric ton is 2,205 pounds (1,000 kgs).

Shell Group makes oil find in Turkey

ANKARA (Reuters). — The Shell International Group's Turkish subsidiary NV Turkise Shell said yesterday it had made an oil find in Eastern Turkey in a rock formation which had never before yielded petroleum in Turkey.

A company spokesman said the Barbes Deep One well was producing 1,500 barrels per day. The deposit was located in a sandstone formation, whereas all previous Turkish discoveries had been in limestone, he said.

Hongkong currency to shed its colonial past

HONGKONG (Reuters). — Hongkong will lose another symbol of its colonial status next year, when the word "colony" disappears from the currency.

The Hongkong and Shanghai Bank, one of two banks that issues the territory's currency, yesterday unveiled new banknotes. They no longer say the holder is entitled to payment "or the equivalent in the currency of the colony, for value received."

Bank officials said the change was not politically motivated, but was to remove "language that no longer has any relevance."

Britain and China will sign an agreement next week under which Hongkong will revert to Chinese sovereignty in 1997.



The customer at left seems to be explaining his economic theories to fellow shoppers at Tel Aviv's Shekem store, as he loads up his cart with food items. The chain reports a 60 per cent increase in turnover, as rumours of a possible price increase of certain foods circulate. (IPPA)

Wheat farmers in the south pray for rain to save their crops

By YITZHAQ OKED
Jerusalem Post Reporter

TEL AVIV. — Wheat farmers in the south are looking at the skies these days, praying for rain. Except for a heavy downpour in October, which did not help them at all, the south has been quite dry.

One farmer said yesterday that he hears all the time about rains falling in the north, "but they never reach us."

David Antwerp, the secretary of the Field Crop Workers Union, told *The Jerusalem Post* that half of the country's 600,000 dunams planted in wheat are in danger, unless there is rain by next week.

Of all the wheat in the south only 60,000 to 80,000 dunams can be irrigated, but this is very costly.

The weatherman at the Beit Dagon meteorological station promised rains for today, but *The Post* learned from independent weather consultant Yoachim Feige that these rains will not be strong and will not reach the south. He thinks that strong rains will only fall around Monday, and even then he is not sure whether they will reach the south.

Weatherman Uri Batz said that

according to 30-year statistics the heaviest rains in December usually fall during the first ten days of the month. This year, however, there have been no such heavy rains.

The current cold spell has mainly affected vegetables, peppers and eggplants, with the damage estimated at \$100,000. Tomatoes grown for the local market have also been hit by the frost, but the extent of the damage is not yet known. Avocado and banana orchards are also affected but the extent of the damage is not yet known.

The stoppage of harvesting will not hurt exports, because shipments for the Christmas market have already left.

Flower growers may profit from the present cold weather because during the last ten days only about a third of the usual number of flowers have bloomed. The flower market in Europe is usually very slow during the first two weeks of December. But during the third week, towards Christmas and New Year, the demand for flowers is great. If the weather now warms up, the growers expect to market a greater number of flowers including the late bloomers at higher prices.

Chinese food is hit at Supersol store

TEL AVIV. — The habits of the "good life" before the current recession seem hard to break. This could be deduced from the crowds of customers at the Super Sol store in Ramat Aviv, which has just opened its Chinese ready-to-eat food department — with its Cantonese-style and *glatt kosher*.

Among the items on sale were egg rolls, almond chicken, sweet & sour chicken, spicy chicken and Chinese vegetable, garlic wings and egg fried rice.

Asking customers how they could square their buying with the belt-tightening that seems called for, one man explained that it fits in neatly with the dictates of the moment. "It is too expensive now to go out and eat in a Chinese restaurant, so at least we can buy our delicacies here and eat them at home."

I asked another customer why he was willing to pay \$1.000 for four egg rolls, when a whole loaf of subsidized black bread costs about \$1.50? He snuffed. "Why compare egg rolls to black bread, a *felafel* costs \$1.400, I prefer an egg roll."

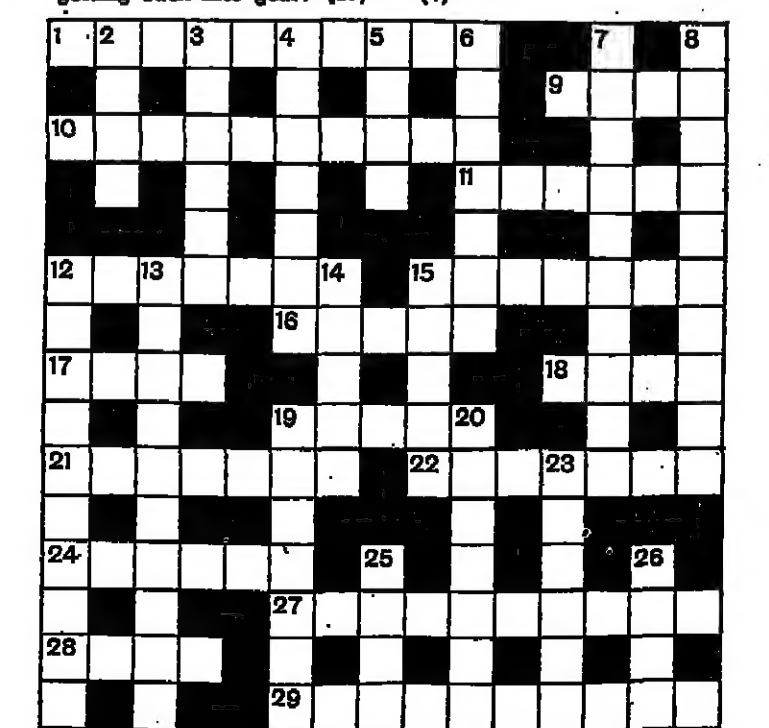
Other people said they were buying the Chinese food because it was *kosher*. Since most Chinese restaurants are not *kosher*, they were normally deprived of this kind of food.

For the time being the "take-out" Chinese food is only available at the Ramat Aviv store. Supersol is trying to attract customers nationwide by special pre-Hannuka sales. Hanukkah candles, for instance, are going for \$1.290 a package, sugar for \$1.55 a kilo and flour for \$1.590 a kilo.



ONE-AND-ONE CROSSWORD

- | | |
|---|--|
| <p>ACROSS</p> <p>1 Arthur's foe in perplexity when unable to get a glass of beer? (5, 5)</p> <p>9 Work that turns up when nothing's about (4)</p> <p>10 The militant men of Montgomery (6, 4)</p> <p>11 The faith many Japanese have in the English in Tokyo (6)</p> <p>13 Late night show in which a spiteful female goes around with nothing on (7)</p> <p>15 The first Catholic priest (7)</p> <p>16 Inner compulsion that can make men do havoc (5)</p> <p>17 See about learning? (4)</p> <p>18 Continental river duck with crimson back (4)</p> <p>19 Nominally issued with a summons (5)</p> <p>21 Inordinately pleased stating how the time went by (7)</p> <p>22 What is left owing after rise has been modified? (7)</p> <p>24 Temporary structure in which there's an occupier (6)</p> <p>27 Radiant award given to 10 after heated struggle (6, 4)</p> <p>28 Close after five, as shopkeepers do (4)</p> <p>29 Setting things right again by getting back into gear? (10)</p> | <p>DOWN</p> <p>2, 12 and 13 What Western-style trade unions would demand if they ran a Russian state farm? (4, 10, 10)</p> <p>3 Wise Roman nymph I embraced with eager fervor (6)</p> <p>4 Torn by a teasing desire he'd got a lift on the way (7)</p> <p>5 Socially acceptable footnote about a reputedly poisonous tree (4)</p> <p>6 A fox-hunting literary man soon shown round a ship (7)</p> <p>7 Not biased against the idea of shutting up shop? (4-6)</p> <p>8 The chief constable's ultimate deterrent? (3, 2, 5)</p> <p>12 See 2</p> <p>13 See 2</p> <p>14 Unenthusiastic Greek character coming in to make hay (5)</p> <p>15 Prose composition that baffles the intelligence (5)</p> <p>19 A fabulous horseman (7)</p> <p>20 The end of a freeze that could bring a government down (7)</p> <p>23 Is about to get up, but flags (6)</p> <p>25 Pointed reminder that there's work to be done (4)</p> <p>26 Garden amenity to which an Anglican bishop is entitled (4)</p> |
|---|--|



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Central Bus Station, 234 Jaffa, 520073. Balaam, Salah Eddin, 272315. Shu'afat, Shu'afat Road, 810108. Dar Al-Dawa, Herod's Gate, 280208.

Tel Aviv: Bavi, Shikun Bavi, 440552. Benny, 174 Dismant, 222386.

Netanya: Giv'at, 14 Shur Hagai, 226955. Haifa: Yavne, 7 Pn Sima, 672288.

DUTY HOSPITALS

Jerusalem: Biku Holim (Internal E.N.T.), Hadassah E.K. (pediatrics, ophthalmology), Shaare Zedek (gynecology, surgery, orthopedics).

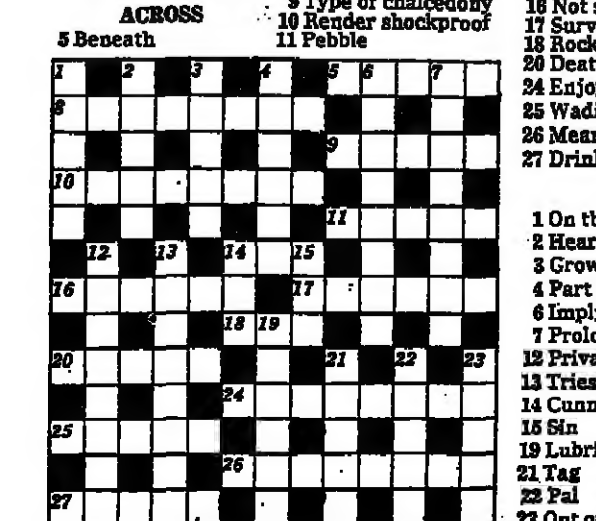
Tel Aviv: Rikah (pediatrics), Ichilov (Internal, surgery), Netanya: Lando (obstetrics, internal, gynecology, surgery, pediatrics).

FLIGHTS

24-HOURS FLIGHT INFORMATION SERVICE
Call 03-972484

ARRIVALS ONLY
(TAPED MESSAGE)
03-381111 (20 lines)

QUICK CROSSWORD



- 8 Status**
9 Type of chalcopedy
10 Bender shockproof
11 Pebble
- 5 Beneath**
- DOWN**
- 1 On the move
2 Heart's-ease
3 Grown-up
4 Part of foot
6 Implying "No"
7 Prolonged
12 Private
13 Tries
14 Cunning
15 Sin
19 Lubricating
21 Tag
22 Pal
23 Out of sorts

FIRST AID

Megat David Adom emergency phone numbers (round the clock service).

Ashted 41333 Ashkelon 23333 Bat Yam 985555 Beer Sheva 78333 Carmiel 988555 Dan Region 781111 Elat 72333 Hadera 21333 Haifa 512233 Hatzor 36333 Holon 803133 Jerusalem 523133 Kiryat Shmona 44334 Kiryat Shmona 923333 Netanya 23333 Petah Tikva 923111 Rehovot 51533 Rishon LeZion 942333 Safed 30333 Tel Aviv 240111 Tiberias 90111

Mobile Intensive Care Unit (MICU) service in the area around the clock.

101 Emergency phone number in most areas.
Rape Crisis Centre (24 hours), for help call Tel Aviv, 234819. Jerusalem - 816110, and Haifa 8791.

"B-Z" - Mental Health First Aid. Tel.: Jerusalem 669911, Tel Aviv 261112, Haifa 672222. Beer Sheva 418111, Netanya 36316.

For information on Battered Women Shelters call Family Violence Service - 03-231675/239922 or any of the Rape Crisis Centre or Iran hot lines.

Jerusalem Center for Drug Abuse and Misuse Intervention. Tel. 665828, 665902.
14 Bethlehem Rd.

POLICE

Dial 100 in most parts of the country. In Tiberias dial 924444. Kiryat Shmona 4444.

Yesteryear's Solutions

DETAILED SOLUTIONS

1. General, 7. Tense, 8. Trumpeter, 9. Net, 10. Darts, 11. Pebble, 12. Millet, 14. Stripes, 17. Suture, 18. Only, 20. Ed, 22. Bear, 23. Reign, 24. Interred, 25. Down, 1. Gated, 2. Neutral, 3. Rape, 4. Litter, 5. Two, 6. Tenth, 7. Tenth, 8. Litter, 9. Litter, 10. Litter, 11. Litter, 12. Litter, 13. Litter, 14. Litter, 15. Litter, 16. Litter, 17. Litter, 18. Litter, 19. Litter, 20. Litter, 21. Litter, 22. Litter, 23. Litter, 24. Litter, 25. Litter.

GODEX MAIMONI:
THE MISHNEH TORAH OF THE RAMBAM

The selections from the Code of Maimonides produced in this book are from the beautiful Kaufmann Codex and convey a clear idea of the style, scope and structure of the Mishneh Torah, enabling the reader to combine meticulous study with artistic pleasure.

This exquisite volume contains the magisterial Code that was completed by Maimonides in Egypt in 1180, copied by a French scribe in 1295, further embellished by a German scribe in Cologne with citations from select post-Maimonidean authorities. The manuscript was bequeathed to the Hungarian Academy of Sciences by Austrian scholar David Kaufmann and today, with this edition, has been made available to English-language readers.

GODEX MAIMONI presents 68 of the most beautiful pages from the illuminated codex of the Kaufmann Mishneh Torah, with an introductory essay by Prof. Alexander Scheiber and contributions by Prof. I. Twersky, Prof. J. Blau and Prof. S. Pines. Art historian Gabrielle Sed-Rajna describes the codex in context of art history and provides detailed explanations of the illustrations.

Published by Corvina/Helikon/Strassburger. Leaf size 473 mm x 324 mm (approx. 18 1/2" x 12 3/4"). 176 pages.

Price, \$72.750 (including VAT). Available from The Jerusalem Post, P.O. Box 81, Jerusalem 91000. Tel. 02-528181 ext. 285, 191. Price valid until January 31, 1985 in accordance with price freeze regulations of Nov. 2, 1984.

Ari Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

Founded in 1932 by GERSHON AGRON, who was Editor until 1955; Editor 1955-1974
TED LURIE, Editor 1974-1975; LEA BEN DOR, EDITORIAL OFFICES AND
ADMINISTRATION The Jerusalem Post Building, Jerusalem, P.O. Box 81
(91000) Telephone 528180, Telex 26121, TEL AVIV 11 Rehov Dabach, P.O. Box 20126
(61201) Telephone 294222, HAIFA 16 Rehov Nordan, Hadar Hacarmel, P.O. Box 4810
(31047) Telephone 645444. Published daily, except Saturday, in Jerusalem, Israel by The
Jerusalem Post Ltd. Printed by The Jerusalem Post Press in Jerusalem. Registered at the
G.P.O. Copyright of all material reserved, reproduction permitted only by arrangement.

Bankrupt Tel Aviv

IN THE SIZE of its population Tel Aviv is Israel's "second city," but under the mayoralty of Shlomo Lahat it has easily earned a "first" for profligacy and fiscal irresponsibility.

There is no gainsaying that Mr. Lahat has done a great deal for Tel Aviv. He has provided free entertainment for the masses and has carried to their happy conclusion some spectacular projects initiated by his predecessor, the late Yehoshua Rabinowitz. The seaside promenade and the Yarkon Park are certainly a feast for the eye, and the renovated Ha'aretz Museum, too, enhances the city's attraction for tourists.

But while improving Tel Aviv with such amenities, Mr. Lahat has neglected the fiscal base that makes sure that city employees have their monthly bread. For years hardly a month has gone by without the city workers threatening a strike unless they were finally paid their delayed salaries. Last month they actually struck for two days before receiving their paychecks.

Today Tel Aviv is entering the ninth day of another municipal strike, with only the most vital services being maintained with skeleton crews. The 8,500 city employees have still not been paid their November salaries, and the city is sinking ever deeper into a sea of uncollected garbage.

Mr. Lahat chooses to put the blame on the government's indifference to the plight of a great metropolis. But he must know full well that Tel Aviv's financial troubles arise directly from his own policy of overspending, which has been pursued in the expectation that deficits would always be covered by bank loans — and, if the worst comes to the worst, by the Treasury's largesse.

Mayor Lahat has in fact openly boasted of devising this alternative strategy for printing his own money.

What the mayor apparently failed to anticipate was that one day the government would refuse to rubber stamp his unauthorized expenditures, and that Tel Aviv would simply have to live within its means. In June he was forced by the Interior Ministry to sign a formal undertaking not to exceed his approved budget. He made light of his own signature.

But now the jig is finally up. Israel, hard-pressed economically as it is, clearly cannot afford Lahat's spending-sprees. Yesterday in the Knesset Moshe Shahal, the energy minister, speaking in the name of the government, said not a single shekel would be granted to Tel Aviv until it had submitted a plan for economic recovery.

How seriously the mayor is treating this last warning remains to be seen. He may be banking on the fact that such a plan would take some time to prepare, whereas Tel Aviv's need for financial rescue is immediate. The government could not stand idly by if the city were gripped by a truly general strike. It may, therefore, have to make its own arrangement to pay the city workers.

But in the act of doing so the government may perhaps consider appointing a caretaker for Tel Aviv, instead of the present administration. For Mr. Lahat is plainly incorrigible, and his Labour deputy, Dov Ben-Meir, who blasted the mayor's mismanagement of the city during the last election campaign, is now his loyal adjutant.

Such radical surgery has never yet been applied to a city the size of Tel Aviv. But it is at least worth pondering whether for its own good Tel Aviv should not temporarily be deprived of the right to self-government.

Bailing out Ata

AS IF he did not have enough on his plate, Prime Minister Peres has now been drawn into the mess that is the bankrupt Ata textile firm.

The minister who should rightfully deal with it is in self-imposed exile in New York. And while the official argument that his stand-in at the Ministry of Trade and Industry, Moshe Nissim, is filling the vacuum, evidently the vacuum is rather more than Nissim can handle.

Clearly the fate of Ata and its 3,000 employees is a fit problem for government intervention. No government could remain indifferent to the prospect of 3,000 persons concentrated largely in one locality losing their jobs.

But what must be clearly defined is exactly what that government responsibility entails. It certainly does not entail absolving the present owners of their obligations. Nor does it entail cajoling other private enterprises, like Clal or even the Histadrut's industrial conglomerate, into pouring good money after bad. Why should Clal be pressured to do what the Eisenberg empire, the present owners, refuse to do because it is plain bad business?

The time is past for the government to have a policy designed not to reform but to prop up ailing firms. The national economy can no longer afford such waste. But if despite this, the government wishes to pursue such a wrong course, it should not try to palm off the burden on private firms. Let it directly take over crippled outfits and not seek to impose them on healthy ones, which in any case are not in great abundance in this country.

However, instead of adopting this wrong-headed course, the government would do better to limit itself to its proper responsibility — not the welfare of Ata, but the welfare of the affected workers. If Ata is indeed beyond repair, then it would be more rational for the government to focus solely on the workers, devising for them a special relief unemployment fund and an employment relocation programme, with guarantees for their pension rights.

The Ata workers would then at least not have to worry about their livelihoods. They could also be confident that they will be shifted to gainful rather than ungainful employment. And the country would be spared the spectacle of another sick, over-stuffed and mismanaged firm being shored up by artificial means.

POSTSCRIPTS

PS. "AND THE DESERT shall rejoice and blossom," is the title of an article about the Arava published in the recent issue of *The Rotarian* — the magazine of the almost 1 million Rotary members in 20,879 clubs all over the world.

This quote from Isaiah applies to how the Arava wasteland grows hardy fruits and vegetables today, largely the result of drip-irrigation.

A U.S. patent for a similar irrigation technique, *The Rotarian* adds, was requested in Sacramento, California in 1874 and in Germany in 1899. But both techniques failed. Finally the plan came to flower, literally, in Israel, where the simple principle of steadily irrigating and fertilizing the roots of plants has been proved successful. The Biblical prophecy of Isaiah is fulfilled in Israel today. *The Rotarian* concludes.

A.Z.

Haifa Municipality
Christmas Trees
(pine and cypresses) will be sold at the Municipal nursery, opposite Kfar Galim (near Tzfat Hacarmel) at a price of IS 1500 each, from December 18 (8 a.m. - 12 noon)

German Neo-Nazis gain strength

By JOHN DORNBERG/Munich

vehrgericht, a secret tribunal, in which a dissident member of the group was abducted, brutally beaten and tortured.

WHEN THE TRIAL opened last month, Kuehnen, Marx and dozens of their youthful, uniformed supporters turned the Frankfurt courtroom into a raucous circus, shouting "Sieg Heil," pounding on the benches and giving outstretched-arm Nazi salutes with their fingers spread in "V" for victory signs.

The presiding judge's mild admonishments and failure to quell the repeated outbursts brought sharp protests from Jewish organizations in Germany, especially from Heinz Galinski, the leader of the Jewish congregation in West Berlin.

Hoffmann's paramilitary group was banned four years ago and is suspected of being behind the 1980 bombing of Munich's Oktoberfest, in which 13 people were killed and 219 crippled and wounded.

Hoffmann and his live-in girl friend, Franziska Birkmann, 38, are charged with plotting the murder of Shlomo Lewin, 69, a prominent Jewish publisher in Nuremberg, and his companion, Frida Poeschke, 57, widow of a former mayor of the city of Erlangen.

Lewin and Poeschke were found dead in the entry hall and living room of the woman's Erlangen villa on December 19, 1980. Each had been shot four times in the chest and head with a .45 caliber Beretta machine pistol in what clearly appeared to be a deliberate execution.

The weapon has never been found and the only clue at the scene was a pair of sunglasses, subsequently identified as belonging to Franziska

Birkmann.

Hoffmann and Birkmann were linked to the crime only after months of investigative bungling and fumbling by Nuremberg and Bavarian state police. They denied, and still deny, complicity, but admitted that Hoffmann's top deputy, Uwe Behrendt, 29, had killed the couple, acting on his own and apparently to "prove himself" to Hoffmann.

Behrendt is presumed to be dead. Shortly after the murder he fled to Lebanon and linked up with a Palestinian organization to which Hoffmann's neo-Nazi Military Sport Group had previous ties. He was either killed or committed suicide in a Palestinian refugee camp near Beirut. A body believed to be his was exhumed there last August and is currently undergoing forensic identification tests in Munich.

WHAT THE prosecution is trying to prove in the trial, which opened two months ago and is likely to continue for many more months, is that Hoffmann and Birkmann conspired with Behrendt and ordered him to kill Lewin and Poeschke. The case has been decried as a scandal because of the laxity of the police investigation, the flimsiness of the prosecution's charges, and the manner in which the presiding judge has allowed Hoffmann to ramble, turning the courtroom into a singular propaganda platform.

Testifying in his own behalf at the start of the trial, a standard German procedure, Hoffmann delivered a 55-hour — nine trial days — monologue about himself, his political aims and movement. The diatribe was a record in German judicial history, beating even the one Hitler

set in 1924 during his trial in Munich following the November 1923 beerhall putsch.

How much light the trial will shed on Hoffmann's paramilitary organization is uncertain. It has been in the news since 1974 when Hoffmann, now balding and heavily bearded, then sporting a huge hand-lebar mustache, herded platoons of young uniformed men in military maneuvers in the woods around Nuremberg. The uniforms were fanciful combinations of Wehrmacht and SS gear, the ranks and insignia identical to those of the Third Reich. The group's symbol was the skull-and-crossbones of the SS, and members saluted the leader with outstretched arm and the cry of "Heil Hoffmann."

By 1977 the arsenal of weapons included a battle tank and Hoffmann was being quoted on his disparaging views of democracy. "A democracy," he said in interviews, "is impotent. A dictatorship with the right man at the helm is what a nation needs."

AT ITS height, the group had more than 800 members, most of whom have since drifted to other neo-Nazi and neo-Fascist groups in West Germany, especially Kuehnen's, and links to extreme rightist organizations in France, Italy and Belgium.

Until the Interior Ministry outlawed the group in November 1980, following the Munich bombing, German politicians and officials, especially in Bavaria, were writing it off as harmless. Bavaria's premier Franz-Josef Strauss once said: "If people want to play soldier in the woods on weekends, that's their affair."

Both Kuehnen's and Hoffmann's

trials are taking place against a background of mounting neo-Nazi violence, anti-foreigner and anti-Semitic incidents, including Jewish cemetery and synagogue desecrations, and closer links between right-wing extremist groups and violent soccer fans and "skinhead" gangs that brandish Nazi emblems.

In Dortmund in October, police discovered a huge cache of Nazi propaganda, swastika flags, Hitler portraits, thousands of rounds of ammunition, hand grenades and almost 10 kilos of explosives. One of the ammo boxes had the slogan "We are Back" and the inscription "NSDAP/A.O." the initials of a neo-Nazi group headed by Gary Lauck of Lincoln, Nebraska.

In Hamburg earlier last month police were in a shoot-out with three young neo-Nazis known to belong to Kuehnen's group and apparently on their way to rob a bank. Stopped routinely by a police patrol, they opened fire with pistols and machine guns, wounding one police officer seriously.

A day after that incident a passer-by was shot at point-blank range with a gas pistol when he protested against a group demonstrating in front of Hamburg's main railway station with posters that read: "Freedom for Germany! Freedom for Kuehnen!"

By official count there are 68 militant and violent radical rightist and neo-Nazi groups. Even more worrying, according to the Allensbach Opinion Research Institute, 6 per cent of young West Germans between ages 16 and 25 identify themselves as "radical rightist" in their political views and sympathies.

"The threat of mounting violence," says Christian Lochte, head of Hamburg's chief security agency, "is like a nightmare that will not stop."

READERS' LETTERS

To the Editor of The Jerusalem Post
Sir, — Please allow me to point out to the many mistakes, distortions and misrepresentations of the situation in the West Bank and Gaza Strip as reported in Zvi Elpeleg's article on November 23.

1. The Israeli military government amended the Jordanian Education Law of 1964 not to ease political restriction on West Bank universities as Elpeleg claims, but to the exact contrary. Military Order 854, signed in July 1980, which amended the Jordanian Law No.16, jeopardized the very existence of Palestinian universities by forcing them to apply for a yearly permit. It also abolished compulsory education on the West Bank and reduced the pool of teachers available by stipulating that teachers who served a jail term, for security offences will not be granted permits to teach. The order also enables the military governor to exercise direct control over all teachers, students and educational institutions. In addition it places the right to accept or reject students in the hands of the military, thereby allowing the military control over all individuals involved in the educational process.

No wonder Military Order 854 was condemned by Unesco and a number of Israeli professors in addition to its total rejection by Palestinians which has forced the military authorities to temporarily suspend the implementation of this order.

2. Mr. Elpeleg's statement that prior to 1967 no newspaper of any political persuasion was permitted to operate in the West Bank and that two newspapers owned by Palestinians were published in Amman is completely false. The following seven daily newspapers were published in Jerusalem in 1966: *al-Jihad*, *al-Difa'a*, *al-Manar*, *Palastine*, *al-Sha'ab* and *al-Massa'* (the last two evening newspapers), as well as the English-language daily *The Jerusalem Times*. This in addition to the various weeklies and magazines.

3. Mr. Elpeleg's unfounded claim that Palestinian "universities and

A PALESTINIAN RESPONDS

newspapers have the freedom to curse the state of Israel and the Jews every morning" is absurd. First, even if the universities wanted to do such a ridiculous thing they would not be given the freedom under military occupation. Second, even the most hardline Palestinian organizations don't equate the state of Israel with all Jews and Judaism. It is well-known that Palestinians are opposed to the Israeli state and the Zionist ideology which is behind the creation of Israel on Palestinian land. It is equally well-known that Palestinians are not opposed to Jews. The PLO charter which calls for a secular democratic state specifically mentions Jews, Christians and Moslems. Finally, if Palestinians had anything against Jews, why would the PLO appoint a Jew — Mr. Ilan Halevy — as its representative to the Socialist International and to the UN office in Geneva? I challenge Mr. Elpeleg to provide proof of anti-Jewish curses in any Palestinian newspaper.

4. Saying that the elected mayor of Ramallah, Karim Khalaf, is a disciple of George Habash's Popular Front is clearly an attempt to discredit and incite against the popular mayor whose legs were badly damaged by extremist settlers and who was expelled from his post by the Israeli military government. The scores of Israeli and foreign individuals and groups who have heard Khalaf's positions vis-a-vis Israel and the Jewish people, including his denouncing violence against civilians, will easily be able to belie Mr. Elpeleg's accusations.

5. Mr. Elpeleg tries to impress his readers by saying that the number of Palestinian students has increased by 87 per cent while the population has only increased by 21 per cent. But he fails to say how many new classrooms were built since 1967. The record shows that the number of classrooms has not increased by half

as much as the number of students.

6. Mr. Elpeleg, who is said to be a researcher specializing in Palestinian history at Tel Aviv University, tries to sell the village leaguers as a "moderate group" as capable of being the true representative of the Palestinian people. Elpeleg also claims that the PLO extracts support by physical threats. The village leaguers, which are now practically finished, have been declared "quiescent" not only by Israeli journalists but by no less a personage than Mr. Benjamin Ben Eliezer, a former military coordinator of activities on the West Bank.

As to the PLO's representation, no one was holding a gun to the heads of Palestinians polled by *Time* magazine when over 80 per cent said that the PLO is the sole and legitimate representative of the Palestinian people. Or was Sharon right in saying that *Time* is the heart of anti-Semitism?

In the beginning of his article Mr. Elpeleg uses the phrase "those of us who believe in peace with the Palestinians." If what he wrote represents the viewpoint of those who believe in peace, what should Palestinians expect from those who believe in war?

DAUD KUTTAB

Jerusalem.

PENFRIENDS

DANIEL PILTZ (18), of 152 Wardell Road, Earlwood, 2206, Sydney, N.S.W. Australia, would like to correspond with Israelis of his age who love travelling and the outdoors. He hopes to get to know a young Israeli man who would travel with him when he comes to the country to visit.

ADVICE TO WOMEN

To the Editor of The Jerusalem Post
Sir, — No sensible person can disagree with Prof. Alice Shalvi's letter of November 19. Any random selection of women from the Israeli population would no doubt be as qualified to be members of Knesset or government as the group sitting there, the only qualifications demanded being the "right" political opinions, loyalty to the party leadership and the ability to shout.

Only a few of the politicians are of high professional standing or intelligence, as the best people in this country will not waste their abilities playing the childish political games of the Knesset.

Still Prof. Shalvi completely missed the point. If women want equal rights and opportunities with men, they must first obtain equal political power. But the way to get this is not to behave nicely and ask male politicians like Mr. Peres for it or to write letters to the press.

In Israeli Law women today have equal political rights, but to get at least 50 per cent political power — as they are entitled to — they must struggle for it as any group of men would have to do if they wanted political influence.

To do this women must form three women-parties parallel to and with broadly the same programme as the three biggest existing "male" parties, that is a Women's Labour Party, a Women's Likud Party and a Women's Religious Party. The idea is of course, that the three parties would come into the Knesset after the next election, threatening the position of the men in the actual parties.

As the election approaches the men will be fearful and they will no

doubt contact the women's lists and suggest the formation of common lists of men and women. Even if this will be preferable, it must be a fundamental condition that women in any common list will gain their rightful positions.

In all this I see only two problems, both being women's problems:

1. Most women detest the public fight and criticism which is an unavoidable part of political life, and they are afraid of publicly showing weakness such as tears. If my programme is to succeed, the women must overcome this shyness and fear for the sake of the common good just as the Suffragists did in England 70 years ago.

2. Women in Israel suffer to a high degree from a psychological problem characteristic of groups suppressed by other groups for generations. Publicly professing contempt and feelings of superiority towards the ruling class, members of these groups secretly admire the rulers and do not trust members of their own group.

In this connection the problem is how to get women to vote for other women, as most of them believe that men are better politicians than women. In order to create confidence women like Prof. Shalvi, who are well known for their professional or human qualities, must be ready to put themselves on top of these lists. We must also try to convince the women who are today in the Knesset such as Shoshana Arbeli-Almoshino, Geula Cohen and Shulamit Aloni to leave their actual parties before the next election and run instead for the women's parties.

HERLUF COHN

Jerusalem.

LEARNING ENGLISH CAN BE FUN!!

READ
STUDENT POST or
HEY, THERE!

the English language youth magazines published by The Jerusalem Post

Student Post and Hey, There! are edited by Susan Bellus Minkowich, former Jerusalem Post Education Correspondent, and written largely by Post staffers

Read about current political and social issues, the latest in music, sports, fashion and much more. And it's all written in English — a language that will soon feel as comfortable as an old pair of blue jeans.

FIT INTO STUDENT POST AND HEY, THERE!

Subscribe today to *Student Post* (grades 10-12) or *Hey, There!* (grades 7-9) and get nine issues (Sept./Oct. 1984 — June 1985) for only IS 3,125. Just fill in the coupon below and send along with your cheque payable to The Jerusalem Post.

To: The Jerusalem Post, P.O. Box 81, Jerusalem 91000

Please send me the following magazine(s):

☐ STUDENT POST (for grades 10-12) ☐ HEY, THERE! (for grades 7-9)

A subscription to either paper is IS 3,125. Price valid until Jan. 31, 1985 in accordance with price freeze regulations of Nov. 2, 1984.

Enclosed is my cheque (payable to The Jerusalem Post) for IS

NAME (please print) _____ CITY _____

ADDRESS _____ POSTAL CODE _____ TEL. _____

The Fund for Strengthening Israel's Defence

The Heart-Warming Corner of LIBI

THIS WEEK

- ★ **Biggest Contribution**
Contributions during LIBI evening held at Altschul Absorption Centre, Beersheba. **IS 485,000**
- ★ **Most Touching Contribution**
Paulina Schatz, immigrated from Russia five years ago, has saved her every penny for Zahal. **IS 302,000**
- ★ **Youngest Contributor**
Pupils at Tel Hai School, Kiryat Shmona, money collected for LIBI. **IS 179,960**

Now more than ever — give to LIBI

The Libi Fund: 17 Rehov Dabach (Anania), Hakiryat, Tel Aviv 64 734